LIBERTY
TRIPADVISOR HOLDINGS

PROXY STATEMENT | 2019 ANNUAL REPORT

CONTENTS

LIBERTY TRIPADVISOR HOLDINGS, INC.

12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5200

April 13, 2020

Dear Stockholder:

You are cordially invited to attend the 2020 annual meeting of stockholders of Liberty TripAdvisor Holdings, Inc. (**Liberty TripAdvisor**) to be held at 8:00 a.m., Mountain time, on May 19, 2020. Due to concerns about the coronavirus, this year the annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LTAH2020*. To enter the annual meeting, you will need the 16-digit control number that is printed in the box marked by the arrow on your proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on May 19, 2020.

At the annual meeting, you will be asked to consider and vote on the proposals described in the accompanying notice of annual meeting and proxy statement, as well as on such other business as may properly come before the meeting.

Your vote is important, regardless of the number of shares you own. Whether or not you plan to attend the annual meeting, please read the enclosed proxy materials and then promptly vote via the Internet or telephone or by completing, signing and returning by mail the enclosed proxy card. Doing so will not prevent you from later revoking your proxy or changing your vote at the meeting.

Thank you for your cooperation and continued support and interest in Liberty TripAdvisor.

Very truly yours,

Gregory B. Maffei
Chairman of the Board,
President and Chief Executive Officer

The proxy materials relating to the annual meeting are first being mailed on or about April 15, 2020.

LIBERTY TRIPADVISOR HOLDINGS, INC.

12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5200

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

to be Held on May 19, 2020

NOTICE IS HEREBY GIVEN of the annual meeting of stockholders of Liberty TripAdvisor Holdings, Inc. (**Liberty TripAdvisor**) to be held at 8:00 a.m., Mountain time, on May 19, 2020. Due to concerns about the coronavirus (**COVID-19**), this year the annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LTAH2020*. To enter the annual meeting, you will need the 16-digit control number that is printed in the box marked by the arrow on your proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on May 19, 2020. At the annual meeting, you will be asked to consider and vote on the following proposals:

1. A proposal (which we refer to as the **election of directors proposal**) to elect Chris Mueller and Albert E. Rosenthaler to continue serving as Class II members of our board until the 2023 annual meeting of stockholders or their earlier resignation or removal;
2. A proposal (which we refer to as the **auditors ratification proposal**) to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2020; and
3. A proposal (which we refer to as the **reverse stock split proposal**) to approve the adoption of an amendment to our Restated Certificate of Incorporation to effect a reverse stock split of our common stock at a ratio of at least 1-for-2 and up to 1-for-20, with the exact ratio within the foregoing range to be determined by our board of directors (or a committee thereof) and publicly disclosed prior to the effectiveness of the reverse stock split.

You may also be asked to consider and vote on such other business as may properly come before the annual meeting.

Holders of record of our Series A common stock, par value $0.01 per share, and Series B common stock, par value $0.01 per share, in each case, outstanding as of 5:00 p.m., New York City time, on March 31, 2020, the **record date** for the annual meeting, will be entitled to notice of the annual meeting and to vote at the annual meeting or any adjournment or postponement thereof. These holders will vote together as a single class on each proposal. A list of stockholders entitled to vote at the annual meeting will be available at our offices at 12300 Liberty Boulevard, Englewood, Colorado 80112 for review by our stockholders for any purpose germane to the annual meeting for at least ten days prior to the annual meeting. If you have any questions with respect to accessing this list, please contact Liberty TripAdvisor Investor Relations at (844) 826-8736.

We describe the proposals in more detail in the accompanying proxy statement. We encourage you to read the proxy statement in its entirety before voting.

Our board of directors has unanimously approved each proposal and recommends that you vote "**FOR**" the election of each director nominee, "**FOR**" the auditors ratification proposal and "**FOR**" the reverse stock split proposal.

Votes may be cast electronically during the annual meeting via the Internet or by proxy prior to the meeting by telephone, via the Internet, or by mail.

Important Notice Regarding the Availability of Proxy Materials For the Annual Meeting of Stockholders to be Held on May 19, 2020: our Notice of Annual Meeting of Stockholders, Proxy Statement, and 2019 Annual Report to Stockholders are available at www.proxyvote.com.

YOUR VOTE IS IMPORTANT. Voting promptly, regardless of the number of shares you own, will aid us in reducing the expense of any further proxy solicitation in connection with the annual meeting.

By order of the board of directors,

Michael E. Hurelbrink
Assistant Vice President and Secretary

Englewood, Colorado
April 13, 2020

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE VOTE PROMPTLY VIA TELEPHONE OR ELECTRONICALLY VIA THE INTERNET. ALTERNATIVELY, PLEASE COMPLETE, SIGN AND RETURN BY MAIL THE ENCLOSED PAPER PROXY CARD.

TABLE OF CONTENTS

PROXY STATEMENT SUMMARY

2020 ANNUAL MEETING OF STOCKHOLDERS

WHEN

8:00 a.m., Mountain time, on May 19, 2020

WHERE

The annual meeting can be accessed virtually via the Internet by visiting www.virtualshareholdermeeting.com/LTAH2020

RECORD DATE

5:00 p.m., New York City time, on March 31, 2020

ITEMS OF BUSINESS

1. Election of directors proposal—To elect Chris Mueller and Albert E. Rosenthaler to continue serving as Class II members of our board until the 2023 annual meeting of stockholders or their earlier resignation or removal.
2. Auditors ratification proposal—To ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2020.
3. Reverse stock split proposal—To approve the adoption of an amendment to our Restated Certificate of Incorporation to effect a reverse stock split of our common stock at a ratio of at least 1-for-2 and up to 1-for-20, with the exact ratio within the foregoing range to be determined by our board of directors (or a committee thereof) and publicly disclosed prior to the effectiveness of the reverse stock split.

Such other business as may properly come before the annual meeting.

WHO MAY VOTE

Holders of shares of LTRPA and LTRPB

PROXY VOTING

Stockholders of record on the record date are entitled to vote by proxy in the following ways:

By calling 1-800-690-6903 (toll free) in the United States or Canada

Online at www.proxyvote.com

By returning a properly completed, signed and dated proxy card

ANNUAL MEETING AGENDA AND VOTING RECOMMENDATIONS

Proposal	Voting Recommendation	Page Reference (for more detail)
Election of directors proposal	✓ **FOR** EACH NOMINEE	9
Auditors ratification proposal	✓ **FOR**	13
Reverse stock split proposal	✓ **FOR**	15

LIBERTY TRIPADVISOR HOLDINGS, INC.

a Delaware corporation

12300 Liberty Boulevard
Englewood, Colorado 80112
(720) 875-5200

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS

We are furnishing this proxy statement in connection with the board of directors' solicitation of proxies for use at our 2020 Annual Meeting of Stockholders to be held at 8:00 a.m., Mountain time, on May 19, 2020 or at any adjournment or postponement of the annual meeting. Due to concerns about COVID-19, this year the annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LTAH2020*. At the annual meeting, we will ask you to consider and vote on the proposals described in the accompanying Notice of Annual Meeting of Stockholders. The proposals are described in more detail in this proxy statement. We are soliciting proxies from holders of our Series A common stock, par value $0.01 per share (**LTRPA**), and Series B common stock, par value $0.01 per share (**LTRPB**). We refer to LTRPA and LTRPB together as our **common stock**.

THE ANNUAL MEETING

ELECTRONIC DELIVERY

Registered stockholders may elect to receive future notices and proxy materials by e-mail. To sign up for electronic delivery, go to *www.proxyvote.com*. Stockholders who hold shares through a bank, brokerage firm or other nominee may sign up for electronic delivery when voting by Internet at *www.proxyvote.com* by following the prompts. Also, stockholders who hold shares through a bank, brokerage firm or other nominee may sign up for electronic delivery by contacting their nominee. Once you sign up, you will not receive a printed copy of the notices and proxy materials, unless you request them. If you are a registered stockholder, you may suspend electronic delivery of the notices and proxy materials at any time by contacting our transfer agent, Broadridge, at (888) 789-8410 (outside the United States (303) 562-9272). Stockholders who hold shares through a bank, brokerage firm or other nominee should contact their nominee to suspend electronic delivery.

TIME, PLACE AND DATE

The annual meeting of stockholders is to be held at 8:00 a.m., Mountain time, on May 19, 2020. Due to concerns about COVID-19, this year the annual meeting will be held via the Internet and will be a completely virtual meeting of stockholders. You may attend the meeting, submit questions and vote your shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LTAH2020*. To enter the annual meeting, you will need the 16-digit control number that is printed in the box marked by the arrow on your proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that you are logged in when the meeting starts. Online check-in will start shortly before the meeting on May 19, 2020.

PURPOSE

At the annual meeting, you will be asked to consider and vote on each of the following:

- the election of directors proposal, to elect Chris Mueller and Albert E. Rosenthaler to continue serving as Class II members of our board until the 2023 annual meeting of stockholders or their earlier resignation or removal;
- the auditors ratification proposal, to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2020; and
- the reverse stock split proposal, to approve the adoption of an amendment to our Restated Certificate of Incorporation to effect a reverse stock split of our common stock at a ratio of at least 1-for-2 and up to 1-for-20, with the exact ratio within the foregoing range to be determined by our board of directors (or a committee thereof) and publicly disclosed prior to the effectiveness of the reverse stock split.

You may also be asked to consider and vote on such other business as may properly come before the annual meeting, although we are not aware at this time of any other business that might come before the annual meeting.

QUORUM

In order to conduct the business of the annual meeting, a quorum must be present. This means that the holders of at least a majority of the aggregate voting power represented by the shares of our common stock outstanding on the record date (as defined below) and entitled to vote at the annual meeting must be represented at the annual meeting either in person or by proxy. Virtual attendance at the annual meeting also constitutes presence in person for purposes of quorum at the meeting. For purposes of determining a quorum, your shares will be included as represented at the meeting even if you indicate on your proxy that you abstain from voting. If a broker, who is a record holder of shares, indicates on a form of proxy that the broker does not have discretionary authority to vote those shares on a particular proposal or proposals, or if those shares are voted in circumstances in which proxy authority is defective or has been withheld, those shares (**broker non-votes**) will nevertheless be treated as present for purposes of determining the presence of a quorum. See "—Voting Procedures for Shares Held in Street Name—Effect of Broker Non-Votes" below.

WHO MAY VOTE

Holders of shares of our common stock, as recorded in our stock register as of 5:00 p.m., New York City time, on March 31, 2020 (such date and time, the **record date** for the annual meeting), will be entitled to notice of the annual meeting and to vote at the annual meeting or any adjournment or postponement thereof.

VOTES REQUIRED

Each director nominee who receives a plurality of the combined voting power of the outstanding shares of our common stock present in person or represented by proxy at the annual meeting and entitled to vote on the election of directors at the annual meeting, voting together as a single class, will be elected to office.

Approval of the auditors ratification proposal requires the affirmative vote of a majority of the combined voting power of the outstanding shares of our common stock that are present in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class.

Approval of the reverse stock split proposal requires the affirmative vote of the holders of record of a majority of the voting power of the outstanding shares of our common stock entitled to vote on this proposal, voting together as a single class.

Virtual attendance at the annual meeting also constitutes presence in person for purposes of each required vote.

VOTES YOU HAVE

At the annual meeting, holders of shares of LTRPA will have one vote per share and holders of shares of LTRPB will have ten votes per share, in each case, that our records show are owned as of the record date.

RECOMMENDATION OF OUR BOARD OF DIRECTORS

Our board of directors has unanimously approved each of the proposals and recommends that you vote "**FOR**" the election of each director nominee, "**FOR**" the auditors ratification proposal and "**FOR**" the reverse stock split proposal.

SHARES OUTSTANDING

As of the record date, 72,167,796 shares of LTRPA and 2,952,569 shares of LTRPB were issued and outstanding and entitled to vote at the annual meeting.

NUMBER OF HOLDERS

There were, as of the record date, 814 and 42 record holders of LTRPA and LTRPB, respectively (which amounts do not include the number of stockholders whose shares are held of record by banks, brokers or other nominees, but include each such institution as one holder).

VOTING PROCEDURES FOR RECORD HOLDERS

Holders of record of our common stock as of the record date may vote via the Internet at the annual meeting or prior to the annual meeting by telephone or through the Internet. Alternatively, they may give a proxy by completing, signing, dating and returning the proxy card by mail.

Holders of record may vote their shares electronically during the meeting via the Internet by visiting *www.virtualshareholdermeeting.com/LTAH2020*. To enter the annual meeting, holders will need the 16-digit control number that is printed in the box marked by the arrow on their proxy card. We recommend logging in at least fifteen minutes before the meeting to ensure that they are logged in when the meeting starts. Online check-in will start shortly before the meeting on May 19, 2020.

Instructions for voting prior to the annual meeting by using the telephone or the Internet are printed on the proxy card. In order to vote prior to the annual meeting through the Internet, holders should have their proxy cards available so they can input the required information from the proxy card, and log onto the Internet website address shown on the proxy card. When holders log onto the Internet website address, they will receive instructions on how to vote their shares. The telephone and Internet voting procedures are designed to authenticate votes cast by use of a personal identification number, which will be provided to each voting stockholder separately. Unless subsequently revoked, shares of our common stock represented by a proxy submitted as described herein and received at or before the annual meeting will be voted in accordance with the instructions on the proxy.

YOUR VOTE IS IMPORTANT. It is recommended that you vote by proxy even if you plan to attend the annual meeting. You may change your vote at the annual meeting.

If you submit a properly executed proxy without indicating any voting instructions as to a proposal enumerated in the Notice of Annual Meeting of Stockholders, the shares represented by the proxy will be voted "**FOR**" the election of each director nominee, "**FOR**" the auditors ratification proposal and "**FOR**" the reverse stock split proposal.

If you submit a proxy indicating that you abstain from voting as to a proposal, it will have no effect on the election of directors proposal and it will have the same effect as a vote "**AGAINST**" the auditors ratification proposal and the reverse stock split proposal.

If you do not submit a proxy or you do not vote at the annual meeting, your shares will not be counted as present and entitled to vote for purposes of determining a quorum, and your failure to vote will have no effect on determining whether any of the election of each director nominee or auditors ratification proposal are approved (if a quorum is present), but will have the same effect as a vote "**AGAINST**" the reverse stock split proposal.

VOTING PROCEDURES FOR SHARES HELD IN STREET NAME

General

If you hold your shares in the name of a broker, bank or other nominee, you should follow the instructions provided by your broker, bank or other nominee when voting your shares or to grant or revoke a proxy. The rules and regulations of the New York Stock Exchange and The Nasdaq Stock Market LLC (**Nasdaq**) prohibit brokers, banks and other nominees from voting shares on behalf of their clients without specific instructions from their clients with respect to numerous matters, including, in our case, the election of directors proposal and the reverse stock split proposal described in this proxy statement. Accordingly, to ensure your shares held in street name are voted on these matters, we encourage you to provide promptly specific voting instructions to your broker, bank or other nominee.

Effect of Broker Non-Votes

Broker non-votes are counted as shares of our common stock present and entitled to vote for purposes of determining a quorum but will have no effect on any of the proposals, other than the reverse stock split proposal. You should follow the directions your broker, bank or other nominee provides to you regarding how to vote your shares of common stock or how to change your vote or revoke your proxy.

REVOKING A PROXY

If you submitted a proxy prior to the start of the annual meeting, you may change your vote by attending the annual meeting online and voting via the Internet at the annual meeting or by delivering a signed proxy revocation or a new signed proxy with a later date to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717. Any signed proxy revocation or new signed proxy must be received before the start of the annual meeting. In addition, you may change your vote through the Internet or by telephone (if you originally voted by the corresponding method) not later than 11:59 p.m., New York City time, on May 18, 2020.

Your attendance at the annual meeting will not, by itself, revoke a prior vote or proxy from you.

If your shares are held in an account by a broker, bank or other nominee, you should contact your nominee to change your vote or revoke your proxy.

SOLICITATION OF PROXIES

We are soliciting proxies by means of our proxy statement and our annual report (together, the **proxy materials**) on behalf of our board of directors. In addition to this mailing, our employees may solicit proxies personally or by telephone. We pay the cost of soliciting these proxies. We also reimburse brokers and other nominees for their expenses in sending the proxy materials to you and getting your voting instructions. We have also retained D.F. King & Co., Inc. (**D.F. King**) to assist in the solicitation of proxies at a cost of $5,000, plus reasonable out of pocket expenses.

If you have any further questions about voting or attending the annual meeting, please contact Liberty TripAdvisor Investor Relations at (844) 826-8736 or Broadridge at (888) 789-8410 (outside the United States (303) 562-9272) or our proxy solicitor, D.F. King, at (212) 269-5550 (brokers and banks only) or (877) 732-3619 (toll free).

OTHER MATTERS TO BE VOTED ON AT THE ANNUAL MEETING

Our board of directors is not currently aware of any business to be acted on at the annual meeting other than that which is described in the Notice of Annual Meeting of Stockholders and this proxy statement. If, however, other matters are properly brought to a vote at the annual meeting, the persons designated as proxies will have discretion to vote or to act on these matters according to their best judgment. In the event there is a proposal to adjourn or postpone the annual meeting, the persons designated as proxies will have discretion to vote on that proposal.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table sets forth information concerning shares of our common stock beneficially owned by each person or entity known by us to own more than five percent of the outstanding shares of any series of our common stock. Beneficial ownership of our common stock is set forth below only to the extent known by us or ascertainable from public filings.

The security ownership information is given as of April 3, 2020, and, in the case of percentage ownership information, is based upon 72,154,703 LTRPA shares and 2,929,401 LTRPB shares, in each case, outstanding on February 29, 2020. The percentage voting power is presented on an aggregate basis for all series of common stock.

Name and Address of Beneficial Owner	Title of Series	Amount and Nature of Beneficial Ownership	Percent of Series (%)	Voting Power (%)
Gregory B. Maffei c/o Liberty TripAdvisor Holdings, Inc. 12300 Liberty Blvd. Englewood, CO 80112	LTRPA LTRPB	— 4,608,845(1)	— 97.0	38.5
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	LTRPA LTRPB	7,800,444(2) —	10.8 —	*
BlackRock, Inc. 55 East 52nd Street New York, NY 10055	LTRPA LTRPB	5,416,359(3) —	7.5 —	5.2
Eagle Capital Management, LLC 499 Park Avenue 17th Floor New York, NY 10022	LTRPA LTRPB	5,109,078(4) —	7.1 —	4.2
Dimensional Fund Advisors LP Building One 6300 Bee Cave Road Austin, TX 78746	LTRPA LTRPB	4,181,246(5) —	5.8 —	4.0
Hudson Bay Capital Management LP 777 Third Avenue, 30th Floor New York, NY 10017	LTRPA LTRPB	3,815,119(6) —	5.3 —	3.8
Standard General L.P. 767 Fifth Avenue, 12th Floor New York, NY 10153	LTRPA LTRPB	4,087,249(7) —	5.7 —	4.0

* Less than one percent

(1) Information with respect to shares of our common stock beneficially owned by Mr. Maffei, our Chairman of the Board, President and Chief Executive Officer, is set forth in "—Security Ownership of Management."

(2) Based on Amendment No. 6 to Schedule 13G, filed February 12, 2020 by The Vanguard Group (**Vanguard**), which states that, with respect to LTRPA, Vanguard has sole voting power over 155,025 shares, shared voting power over 19,407 shares, sole dispositive power over 7,638,137 shares and shared dispositive power over 162,307 shares.

(3) Based on Amendment No. 5 to Schedule 13G, filed February 5, 2020 by BlackRock, Inc. (**BlackRock**), which states that, with respect to LTRPA, BlackRock has sole voting power over 5,284,131 shares and sole dispositive power over 5,416,359 shares.

(4) Based on an Amendment to Schedule 13G, filed February 14, 2020 by Eagle Capital Management, LLC (**Eagle Capital**), which states that, with respect to LTRPA, Eagle Capital has sole voting power over 4,226,709 shares and sole dispositive power over 5,109,078 shares.

(5) Based on Amendment No. 3 to Schedule 13G, filed February 12, 2020 by Dimensional Fund Advisors LP (**Dimensional**), which states that, with respect to LTRPA, Dimensional has sole voting power over 4,021,100 shares and sole dispositive power over 4,181,246 shares.

(6) Based on Amendment No. 1 to Schedule 13G, filed February 6, 2020 jointly by Hudson Bay Capital Management LP (**Hudson Bay**) and Sander Gerber, which states that, with respect to LTRPA, each of Hudson Bay and Mr. Gerber has shared voting power and shared dispositive power over 3,815,119 shares.

(7) Based on a Schedule 13G, filed April 9, 2020 by Standard General L.P. (**Standard General**) and Soohyung Kim, which states that, with respect to LTRPA, Standard General and Mr. Kim have sole voting power over 4,087,249 shares and sole dispositive power over 4,087,249 shares.

SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth information with respect to the ownership by each of our directors and named executive officers (as defined herein) and by all of our directors and executive officers as a group of shares of (1) each series of our common stock (LTRPA and LTRPB) and (2) the Common Stock, par value $0.001 per share (**TRIP**), of our consolidated subsidiary Tripadvisor, Inc. (**Tripadvisor**). None of our directors or named executive officers own shares of Tripadvisor's Class B Common Stock, par value $0.001 per share (**Tripadvisor Class B**). The security ownership information with respect to our common stock is given as of February 29, 2020 and, in the case of percentage ownership information, is based upon 72,154,703 LTRPA shares and 2,929,401 LTRPB shares, in each case, outstanding on that date. The security ownership information with respect to Tripadvisor is given as of February 28, 2020, and, in the case of percentage ownership information, is based on 123,286,835 TRIP shares and 12,799,999 Tripadvisor Class B shares, in each case, outstanding on February 12, 2020. The percentage voting power is presented in the table below on an aggregate basis for all series of common stock.

Shares of restricted stock that have been granted pursuant to Liberty TripAdvisor's incentive plans are included in the outstanding share numbers, for purposes of the table below and throughout this proxy statement. Shares of common stock issuable upon exercise or conversion of options, warrants and convertible securities that were exercisable or convertible on or within 60 days after February 29, 2020 are deemed to be outstanding and to be beneficially owned by the person holding the options, warrants or convertible securities for the purpose of computing the percentage ownership of that person and for the aggregate percentage owned by the directors and named executive officers as a group, but are not treated as outstanding for the purpose of computing the percentage ownership of any other individual person. For purposes of the following presentation, beneficial ownership of shares of LTRPB, though convertible on a one-for-one basis into shares of LTRPA, are reported as beneficial ownership of LTRPB only, and not as beneficial ownership of LTRPA. So far as is known to us, the persons indicated below have sole voting and dispositive power with respect to the shares indicated as owned by them, except as otherwise stated in the notes to the table.

Name	Title of Series	Amount and Nature of Beneficial Ownership (In thousands)	Percent of Series (%)	Voting Power (%)
Gregory B. Maffei	LTRPA	—	—	38.5
Chairman of the Board, President and Chief Executive Officer	LTRPB	4,609[1]	97.0	
	TRIP	24[2]	*	*
M. Gregory O'Hara[3]	LTRPA	—	—	—
Director	LTRPB	—	—	
	TRIP	—	—	—
Michael J. Malone	LTRPA	90[1]	*	*
Director	LTRPB	—	—	
	TRIP	—	—	—
Chris Mueller	LTRPA	42[1]	*	*
Director	LTRPB	—	—	
	TRIP	—	—	—
Larry E. Romrell	LTRPA	62[1]	*	*
Director	LTRPB	**	*	
	TRIP	—	—	—
Albert E. Rosenthaler	LTRPA	52[1]	*	*
Chief Corporate Development Officer and Director	LTRPB	—	—	
	TRIP	18	*	*
J. David Wargo	LTRPA	218[1][4][5]	*	*
Director	LTRPB	—	—	
	TRIP	—	—	—

Name	Title of Series	Amount and Nature of Beneficial Ownership (In thousands)	Percent of Series (%)	Voting Power (%)
Brian J. Wendling	LTRPA	27[(1)]	*	*
Senior Vice President and Chief Financial Officer	LTRPB	—	—	
	TRIP	—	—	—
Renee L. Wilm	LTRPA	—	—	—
Chief Legal Officer	LTRPB	—	—	
	TRIP	—	—	—
All directors and executive officers as a group (9 persons)	LTRPA	492[(1)(4)(5)]	*	38.8
	LTRPB	4,609[(1)]	97.0	
	TRIP	42[(2)]	*	*

* Less than one percent

** Less than 1,000 shares

(1) Includes beneficial ownership of shares that may be acquired upon exercise of, or which relate to, stock options exercisable within 60 days after February 29, 2020.

	LTRPA	LTRPB
Gregory B. Maffei	—	1,823,664
Michael J. Malone	90,370	—
Chris Mueller	35,446	—
Larry E. Romrell	56,881	—
Albert E. Rosenthaler	33,263	—
J. David Wargo	90,370	—
Brian J. Wendling	16,303	—
Total	322,633	1,823,664

(2) Includes 1,938 shares of TRIP held by the Maffei Foundation. Mr. Maffei and his wife, as the two directors of the Maffei Foundation, have shared voting and investment power with respect to any shares held by the Maffei Foundation.

(3) Mr. O'Hara was appointed as a director of our company effective as of March 26, 2020.

(4) Includes (i) 390 shares of LTRPA held by Mr. Wargo's spouse and (ii) 1,200 shares of LTRPA held by Mr. Wargo's brother as to which, in each case, Mr. Wargo has disclaimed beneficial ownership.

(5) Includes (i) 125,472 shares of LTRPA pledged to Fidelity Brokerage Services, LLC (**Fidelity**) in connection with a margin loan facility extended by Fidelity to Mr. Wargo and (ii) 1,200 shares of LTRPA held by Mr. Wargo's brother that are pledged to Fidelity in connection with a margin loan facility extended by Fidelity to Mr. Wargo's brother.

CHANGES IN CONTROL

We know of no arrangements, including any pledge by any person of our securities, the operation of which may at a subsequent date result in a change in control of our company.

PROPOSALS OF OUR BOARD

The following proposals will be presented at the annual meeting by our board of directors.

PROPOSAL 1—THE ELECTION OF DIRECTORS PROPOSAL

BOARD OF DIRECTORS

Our board of directors currently consists of seven directors, comprised of six directors divided among three classes and the Series A Preferred Threshold Director (as defined in the Certificate of Designations (the **Certificate of Designations**) for our 8.00% Series A Cumulative Redeemable Preferred Stock (the **Series A Preferred Stock**)). Our Class II directors, whose term will expire at the annual meeting, are Chris Mueller and Albert E. Rosenthaler. These directors are nominated for election to our board to continue to serve as Class II directors, and we have been informed that each of Messrs. Mueller and Rosenthaler is willing to continue to serve as a director of our company. The term of the Class II directors who are elected at the annual meeting will expire at the annual meeting of our stockholders in the year 2023. Our Class III directors, whose term will expire at the annual meeting of our stockholders in the year 2021, are Gregory B. Maffei and Michael J. Malone. Our Class I directors, whose term will expire at the annual meeting of our stockholders in the year 2022, are Larry E. Romrell and J. David Wargo.

If any nominee should decline election or should become unable to serve as a director of our company for any reason before election at the annual meeting, votes will be cast by the persons appointed as proxies for a substitute nominee, if any, designated by the board of directors.

The following lists the two nominees for election as directors at the annual meeting and the five directors of our company, including the Series A Preferred Threshold Director, whose term of office will continue after the annual meeting, and includes as to each person how long such person has been a director of our company, such person's professional background, other public company directorships and other factors considered in the determination that such person possesses the requisite qualifications and skills to serve as a member of our board of directors. The number of shares of our common stock beneficially owned by each director is set forth in this proxy statement under the caption "Security Ownership of Certain Beneficial Owners and Management."

Nominees for Election as Directors

Chris Mueller

- *Age*: 61
- A director of our company.
- *Professional Background*: Mr. Mueller has served as a director of our company since August 2014. He has served as the Managing Partner of Post Closing 360 LLC, a private investment company, since January 2012. He served as the Vice Chairman and Chief Financial Officer of 360networks Corporation (**360networks**) from February 2005 to January 2012, and previously held various senior management positions with 360networks. Mr. Mueller served as a Managing Director of Corporate Finance at Ragen MacKenzie, a regional investment bank, and as the Chief Financial Officer and a director of Tuscany, Inc.
- *Other Public Company Directorships*: None.
- *Board Membership Qualifications*: Mr. Mueller has extensive experience in corporate finance and commercial and investment banking with approximately 30 years of experience, as well as in the structuring of strategic acquisitions. His background and expertise assist the board in evaluating strategic acquisition opportunities and developing financial strategies for our company.

Albert E. Rosenthaler

- *Age*: 60
- Chief Corporate Development Officer and a director of our company.
- *Professional Background*: Mr. Rosenthaler has served as a director of our company since August 2014 and as Chief Corporate Development Officer since October 2016, having previously served as Chief Tax Officer from January 2016 to September 2016 and as a Senior Vice President from July 2013 to December 2015. He

has also served as Chief Corporate Development Officer of Qurate Retail, Inc. (formerly named Liberty Interactive Corporation, **Qurate Retail**), Liberty Media Corporation (**Liberty Media**) and Liberty Broadband Corporation (**Liberty Broadband**) since October 2016 and GCI Liberty, Inc. (**GCI Liberty**) since March 2018. Mr. Rosenthaler served as Chief Corporate Development Officer of Liberty Expedia Holdings, Inc. (**Liberty Expedia**) from October 2016 to July 2019. Mr. Rosenthaler served as Chief Tax Officer of Liberty Media, Qurate Retail and Liberty Broadband from January 2016 to September 2016 and Liberty Expedia from March 2016 to September 2016. Prior to that, he served as a Senior Vice President of Liberty Media (including its predecessor) from May 2007 to December 2015, a Senior Vice President of Qurate Retail (including its predecessor) from April 2002 to December 2015 and a Senior Vice President of Liberty Broadband from June 2014 to December 2015.

- *Other Public Company Directorships*: Mr. Rosenthaler has served as a director of Tripadvisor since February 2016.
- *Board Membership Qualifications*: Mr. Rosenthaler has significant executive and financial experience gained through his service as a Senior Vice President and Chief Tax Officer of Qurate Retail and Liberty Media for many years, as Chief Corporate Development Officer of our company, Qurate Retail, Liberty Media, Liberty Broadband and Liberty Expedia and as a partner with a major national accounting firm for more than five years before joining Qurate Retail. Mr. Rosenthaler brings a unique perspective to our company's board of directors, focused in particular on the area of tax management and corporate development. Mr. Rosenthaler's perspective and expertise assist the board in developing strategies that take into consideration a wide range of issues resulting from the application and evolution of tax laws and regulations.

Directors Whose Term Expires in 2021

Gregory B. Maffei

- *Age*: 59
- Chairman of the Board, Chief Executive Officer and President of our company.
- *Professional Background*: Mr. Maffei has served as Chairman of the Board of our company since June 2015 and as a director and the President and Chief Executive Officer of our company since July 2013. Mr. Maffei has also served as the President and Chief Executive Officer and a director of GCI Liberty since March 2018. He has served as President and Chief Executive Officer of Liberty Media (including its predecessor) since May 2007 and Liberty Broadband since June 2014. He has served as the Chairman of the Board of Qurate Retail, since March 2018 and as a director of Qurate Retail (including its predecessor) since November 2005. Mr. Maffei also served as the President and Chief Executive Officer of Qurate Retail (including its predecessor) from February 2006 to March 2018, having served as its CEO-Elect from November 2005 through February 2006. Prior thereto, Mr. Maffei served as President and Chief Financial Officer of Oracle Corporation (**Oracle**), Chairman of the Board, President and Chief Executive Officer of 360networks, and Chief Financial Officer of Microsoft Corporation (**Microsoft**).
- *Other Public Company Directorships*: Mr. Maffei has served as (i) a director of Liberty Media (including its predecessor) since May 2007, (ii) the Chairman of the Board of Qurate Retail since March 2018 and a director of Qurate Retail (including its predecessor) since November 2005, (iii) a director of Liberty Broadband since June 2014, (iv) a director of GCI Liberty since March 2018, (v) the Chairman of the Board of Tripadvisor since February 2013, (vi) the Chairman of the Board of Live Nation Entertainment, Inc. since March 2013 and as a director since February 2011, (vii) the Chairman of the Board of Sirius XM Holdings Inc. since April 2013 and as a director since March 2009, (viii) a director of Zillow Group, Inc. since February 2015, having previously served as a director of its predecessor, Zillow, Inc., from May 2005 to February 2015 and (ix) a director of Charter Communications, Inc. since May 2013. Mr. Maffei served as (i) Chairman of the Board of Starz from January 2013 until its acquisition by Lions Gate Entertainment Corp. in December 2016, (ii) a director of Barnes & Noble, Inc. from September 2011 to April 2014, (iii) a director of Electronic Arts, Inc. from June 2003 to July 2013, (iv) a director of DIRECTV and its predecessors from February 2008 to June 2010 and (v) the Chairman of the Board of Pandora Media, Inc. from September 2017 to February 2019.
- *Board Membership Qualifications*: Mr. Maffei brings to our board significant financial and operational experience based on his senior policy making positions at our company, Qurate Retail (including its predecessor), GCI Liberty, Liberty Media, Liberty Broadband, Oracle, 360networks and Microsoft and his public company board

experience. He provides our board with executive leadership perspective on the operations and management of large public companies and risk management principles.

Michael J. Malone

- *Age*: 75
- A director of our company.
- *Professional Background*: Mr. Malone has served as a director of our company since August 2014. Mr. Malone is currently Chief Executive Officer and principal of Hunters Capital, LLC, a real estate development and management company. Mr. Malone also owns and operates several hotels and restaurants, as well as Seattle's oldest jet charter and management company, Erin Air, Inc. He is the retired Chairman of the Board and Chief Executive Officer of DMX Music, Inc. (**DMX**) (formerly AEI Music, Inc.), a multinational music programming and distribution company that he founded in 1971 and which was sold to Qurate Retail in May 2001, following which he served as Chairman of the Board of Maxide Acquisition, Inc., a subsidiary of Qurate Retail and the holding company for DMX, from May 2001 to February 2005.
- *Other Public Company Directorships*: Mr. Malone previously served as a director of Expeditors International of Washington, Inc. from August 1999 to May 2017, Take Two Interactive Software, Inc. from January 2006 through March 2007 and HomeStreet, Inc., a regional bank, from February 2012 to February 2015.
- *Board Membership Qualifications*: Mr. Malone is an experienced entrepreneur with over 20 years of senior leadership and management experience. Mr. Malone provides our board with insight into the structuring of investments and acquisitions and the management of technology companies.

Directors Whose Term Expires in 2022

Larry E. Romrell

- *Age*: 80
- A director of our company.
- *Professional Background*: Mr. Romrell has served as a director of our company since August 2014. Mr. Romrell held numerous executive positions with Tele-Communications, Inc. from 1991 to 1999. Previously, Mr. Romrell held various executive positions with Westmarc Communications, Inc.
- *Other Public Company Directorships*: Mr. Romrell has served as a director of Qurate Retail since December 2011, having previously served as a director of Qurate Retail (including its predecessor) from March 1999 to September 2011. He has served as a director of Liberty Media (including its predecessor) since September 2011. He has served as a director of Liberty Global plc (**LGP**) since June 2013, having previously served as a director of Liberty Global, Inc. (**LGI**), LGP's predecessor, from June 2005 to June 2013 and as a director of LGI's predecessor, Liberty Media International, Inc. (**LMI**), from May 2004 to June 2005.
- *Board Membership Qualifications*: Mr. Romrell brings extensive experience, including venture capital experience, in the telecommunications industry to our board and is an important resource with respect to the management and operations of large public companies.

J. David Wargo

- *Age*: 66
- A director of our company.
- *Professional Background*: Mr. Wargo has served as a director of our company since August 2014. Mr. Wargo is the founder of Wargo & Company, Inc., a private company specializing in investing in the communications industry (**Wargo & Company**), and has served as its president since 1993. Mr. Wargo is a co-founder and was a member of New Mountain Capital, LLC from 2000 to 2008. Prior to starting Wargo & Company, he was a managing director and senior analyst of The Putnam Companies from 1989 to 1992, senior vice president and a partner in Marble Arch Partners from 1985 to 1989 and senior analyst, assistant director of research and a partner in State Street Research and Management Company from 1978 to 1985.
- *Other Public Company Directorships*: Mr. Wargo has served as a director of Liberty Broadband since March 2015. He has also served as a director of LGP since June 2013, having previously served as a director

of LGI from June 2005 to June 2013 and as a director of LMI from May 2004 to June 2005. He has served as a director of Vobile Group Limited since January 2018, as a director of Discovery, Inc., which was formerly known as Discovery Communications, Inc. (**Discovery Communications**), since September 2008, having previously served as a director of Discovery Communications' predecessor, Discovery Holding Company, from May 2005 to September 2008, and as a director of Strategic Education, Inc. (formerly Strayer Education, Inc.) from March 2001 to April 2019.

- *Board Membership Qualifications*: Mr. Wargo's extensive background in investment analysis and management, experience as a public company board member and his particular expertise in finance and capital markets contribute to our board's consideration of our capital structure and evaluation of investment and financial opportunities and strategies and strengthen our board's collective qualifications, skills and attributes.

VOTE AND RECOMMENDATION

A plurality of the combined voting power of the outstanding shares of our common stock present in person or represented by proxy at the annual meeting and entitled to vote on the election of directors at the annual meeting, voting together as a single class, is required to elect Messrs. Mueller and Rosenthaler as Class II members of our board of directors.

Our board of directors unanimously recommends a vote "FOR" the election of each nominee to our board of directors.

Series A Preferred Threshold Director

Effective March 26, 2020, Mr. M. Gregory O'Hara, Founder and Senior Managing Director of Certares Management LLC, was appointed by the holder of a majority of the outstanding shares of Series A Preferred Stock as the Series A Preferred Threshold Director. Our board of directors also appointed Mr. O'Hara as our Vice Chairman. As the Series A Preferred Threshold Director, Mr. O'Hara is not subject to the board classification provisions described above and will serve on our board of directors until his removal or resignation. Mr. O'Hara may be removed only by the holders of a majority of the outstanding shares of Series A Preferred Stock. In addition, Mr. O'Hara's term will automatically expire, and the outstanding directorships of our board of directors will be automatically reduced by one, when less than 25% of the original aggregate liquidation value of the Series A Preferred Stock remains outstanding.

Gregory O'Hara

- *Age*: 54
- Vice Chairman of the Board and Series A Preferred Threshold Director of our company.
- *Professional Background*: Mr. O'Hara has served as Vice Chairman and Series A Preferred Threshold Director of our company since March 2020. He founded Certares Management LLC in 2012 and serves as its Senior Managing Director, as the Head of its Investment Committee and as a member of its Management Committee. Mr. O'Hara serves as the Executive Chairman of American Express Global Business Travel, and as a director of Travel Leaders Group, The Innocence Project, Mystic Invest, World Travel & Tourism Council and Certares Holdings LLC. Prior to forming Certares Management LLC, Mr. O'Hara served as Chief Investment Officer of JPMorgan Chase's Special Investments Group and as a Managing Director of One Equity Partners, the private equity arm of JPMorgan. Mr. O'Hara also served as Executive Vice President and a director of Worldspan.
- *Other Public Company Directorships*: None.
- *Board Membership Qualifications*: Mr. O'Hara's extensive background in investment analysis and management and his particular expertise in finance and private equity contribute to our board's evaluation of investment and financial opportunities and strategies and strengthen our board's collective qualifications, skills and attributes.

PROPOSAL 2—THE AUDITORS RATIFICATION PROPOSAL

We are asking our stockholders to ratify the selection of KPMG LLP as our independent auditors for the fiscal year ending December 31, 2020.

Even if the selection of KPMG LLP is ratified, the audit committee of our board of directors in its discretion may direct the appointment of a different independent accounting firm at any time during the year if our audit committee determines that such a change would be advisable. In the event our stockholders fail to ratify the selection of KPMG LLP, our audit committee will consider it as a direction to select other auditors for the year ending December 31, 2020.

A representative of KPMG LLP is expected to be available to answer appropriate questions at the annual meeting and will have the opportunity to make a statement if he or she so desires.

AUDIT FEES AND ALL OTHER FEES

The following table presents fees incurred for professional audit services rendered by KPMG LLP for the audit of our consolidated financial statements for 2019 and 2018 and fees billed for other services rendered by KPMG LLP:

	2019(1)	2018(1)
Audit fees	$547,200	$444,700
Audit related fees	—	—
Audit and audit related fees	547,200	444,700
Tax fees(2)	90,700	4,500
Total fees	$637,900	$449,200

(1) Such fees with respect to 2019 and 2018 exclude audit fees, audit related fees and tax fees billed by KPMG LLP to Tripadvisor for services rendered. Tripadvisor is a separate public company and its audit fees, audit related fees and tax fees (which aggregated to $2,399,700 and $2,404,100 in 2019 and 2018, respectively) are reviewed and approved by the audit committee of the board of directors of Tripadvisor.

(2) Tax fees consist of tax compliance and consultations regarding the tax implications of certain transactions.

Our audit committee has considered whether the provision of services by KPMG LLP to our company other than auditing is compatible with KPMG LLP maintaining its independence and believes that the provision of such other services is compatible with KPMG LLP maintaining its independence.

POLICY ON PRE-APPROVAL OF AUDIT AND PERMISSIBLE NON-AUDIT SERVICES OF INDEPENDENT AUDITOR

Our audit committee has adopted a policy regarding the pre-approval of all audit and permissible non-audit services provided by our independent auditor. Pursuant to this policy, our audit committee has approved the engagement of our independent auditor to provide the following services (all of which are collectively referred to as **pre-approved services**):

- audit services as specified in the policy, including (i) financial audits of our company and our subsidiaries, (ii) services associated with registration statements, periodic reports and other documents filed or issued in connection with securities offerings (including comfort letters and consents), (iii) attestations of management reports on our internal controls and (iv) consultations with management as to accounting or disclosure treatment of transactions;
- audit related services as specified in the policy, including (i) due diligence services, (ii) financial statement audits of employee benefit plans, (iii) consultations with management as to the accounting or disclosure treatment of transactions, (iv) attest services not required by statute or regulation, (v) certain audits incremental to the audit of our consolidated financial statements, (vi) closing balance sheet audits related to dispositions, and (vii) general assistance with implementation of the requirements of certain Securities and Exchange Commission (**SEC**) rules or listing standards; and
- tax services as specified in the policy, including federal, state, local and international tax planning, compliance and review services, and tax due diligence and advice regarding mergers and acquisitions.

Notwithstanding the foregoing general pre-approval, if, in the reasonable judgment of our Senior Vice President and Chief Financial Officer, an individual project involving the provision of pre-approved services is likely to result in fees in excess of $50,000, or if individual projects under $50,000 are likely to total $250,000 during the period between the regularly scheduled meetings of the audit committee, then such projects will require the specific pre-approval of our audit committee. Our audit committee has delegated the authority for the foregoing approvals to the chairman of the audit committee, subject to his subsequent disclosure to the entire audit committee of the granting of any such approval. Chris Mueller currently serves as the chairman of our audit committee. In addition, the independent auditor is required to provide a report at each regularly scheduled audit committee meeting on all pre-approved services incurred during the preceding quarter. Any engagement of our independent auditors for services other than the pre-approved services requires the specific approval of our audit committee.

Under our policy, any fees incurred by Tripadvisor in connection with the provision of services by Tripadvisor's independent auditor are expected to be reviewed and approved by Tripadvisor's audit committee pursuant to Tripadvisor's policy regarding the pre-approval of all audit and permissible non-audit services provided by its independent auditor in effect at the time of such approval. Such approval by Tripadvisor's audit committee pursuant to its policy is deemed to be pre-approval of the services by our audit committee.

Our pre-approval policy prohibits the engagement of our independent auditor to provide any services that are subject to the prohibition imposed by Section 201 of the Sarbanes-Oxley Act.

All services provided by our independent auditor during 2019 were approved in accordance with the terms of the policy.

VOTE AND RECOMMENDATION

The affirmative vote of a majority of the combined voting power of the outstanding shares of our common stock that are present in person or by proxy, and entitled to vote at the annual meeting, voting together as a single class, is required to approve the auditors ratification proposal.

Our board of directors unanimously recommends a vote "FOR" the auditors ratification proposal.

PROPOSAL 3—THE REVERSE STOCK SPLIT PROPOSAL

Our board of directors has unanimously approved and declared advisable an amendment to our Restated Certificate of Incorporation (our **restated charter**) to effect a reverse stock split of each outstanding LTRPA and LTRPB share, in a ratio at least 1-for-2 and up to 1-for-20, in order to, among other reasons, return the trading price of our common stock to a normalized level in light of the current economic downturn resulting from COVID-19, and to also help ensure the continued listing of our LTRPA shares on Nasdaq. The precise ratio of the proposed reverse stock split shall be a whole number within this range, determined in the sole discretion of our board of directors (or a committee thereof (the **reverse split committee**)). We are asking our stockholders to give our board of directors and the reverse split committee discretion to effect the reverse stock split at any time, which could occur as soon as practicable following stockholder approval of this proposal or at any other time thereafter, although we anticipate determining whether to effect the reverse stock split prior to our 2021 annual meeting of stockholders. By approving this proposal, stockholders would give our board of directors and the reverse split committee authority, but not the obligation, to effect the reverse stock split and full discretion to approve the ratio at which shares of common stock will be reclassified, from and including a ratio of 1-for-2 and up to and including a ratio of 1-for-20 at any time. Our board of directors believes that providing this generalized grant of authority with respect to setting the split ratio and determining the timing for implementation of the reverse stock split, rather than mere approval of a pre-defined reverse stock split ratio or a specific date for implementation, will give our board of directors or the reverse split committee the flexibility to set the ratio and timing in accordance with current market conditions and therefore allow our board of directors and the reverse split committee to act in the best interests of our company and our stockholders. Any reverse stock split ratio determined by our board of directors or the reverse split committee within the range described above will be on an equal per share basis for the LTRPA and LTRPB shares as required by our restated charter. If our board of directors does not abandon the reverse stock split as described below, the exact ratio for the reverse split within the range described above will be set by our board of directors or the reverse split committee and publicly announced prior to the effectiveness of the reverse stock split.

In determining the ratio following the receipt of stockholder approval, our board of directors or the reverse split committee may consider, among other things, factors such as:

- the historical trading price and trading volume of our LTRPA and LTRPB shares;
- the then-prevailing trading price and trading volume of our LTRPA and LTRPB shares and the anticipated impact of the reverse stock split on the trading market for these shares;
- the number of LTRPA and LTRPB shares then outstanding, and the number of LTRPA and LTRPB shares issuable upon exercise of options and restricted stock units (**RSUs**) then outstanding;
- the potential decline of our market capitalization as a result of the reverse stock split;
- the anticipated impact of a particular ratio on our ability to reduce administrative and transactional costs;
- prevailing market, industry and general economic conditions; and
- Nasdaq's continued listing criteria.

If our stockholders approve this proposal and our board of directors does not otherwise abandon the amendment contemplating the reverse stock split, we will file a Certificate of Amendment to our restated charter with the Secretary of State of the State of Delaware (the **Delaware Secretary of State**) to effect the proposed reverse stock split, in the form attached to this proxy statement as Annex A. Our board of directors has approved and declared advisable the proposed amendment to our restated charter as set forth in the Certificate of Amendment, in the form attached to this proxy statement as Annex A. If the proposed reverse stock split is effected, then the number of issued and outstanding LTRPA and LTRPB shares would be reduced. Our board of directors has reserved the right to abandon the amendment at any time before the effectiveness of the filing of the Certificate of Amendment with the Delaware Secretary of State, even if the adoption of the amendment is approved by our stockholders. Thus, our board of directors, at its discretion, may cause the filing of the Certificate of Amendment (following stockholder approval) to effect the reverse stock split or abandon the amendment and not effect the reverse stock split if it determines that any such action is or is not in the best interests of our company and stockholders.

PURPOSE OF PROPOSED REVERSE STOCK SPLIT

We are submitting this proposal to our stockholders for approval in order to raise the per share trading price of our LTRPA shares in order to bring the trading price of our common stock back to a normalized level in light of the recent economic downturn due to COVID-19. This will also help us to maintain the listing of our LTRPA shares on Nasdaq. Under our restated charter, the reverse stock split of our LTRPB shares on an equal per share basis is required if we effect a reverse stock split of our LTRPA shares.

Our LTRPA and LTRPB shares are listed on the Nasdaq Global Select Market. Between March 2, 2020 and April 9, 2020, our LTRPA shares have traded between \$0.8578 and \$4.62 per share, and the market volatility in response to economic disruptions and uncertainties created by the worldwide impact of COVID-19 has generally contributed to depressed stock prices in recent weeks. The reverse stock split proposal is intended primarily to increase the per share price of our LTRPA shares, and, as a result, help ensure continued compliance with Nasdaq's minimum bid price continued listing requirement of at least \$1.00 per share. Reducing the number of outstanding LTRPA shares should, absent other factors, increase its per share market price, although we cannot provide any assurance that we will be able to meet or maintain a share price over the minimum bid price requirement for continued listing on Nasdaq or any other exchange.

A lower stock price (and the potential delisting of the LTRPA shares from Nasdaq) may adversely affect our ability to raise additional financing through the public or private sale of equity securities, may significantly affect the ability of investors to trade our securities and may negatively affect the value and liquidity of our common stock. Delisting of the LTRPA shares also could have other negative results, including the potential loss of employee confidence, the loss of institutional investors or interest in business development opportunities. An increase in the per share trading value of our LTRPA shares would be beneficial because it would:

- improve the perception of our common stock as an investment security;
- reset our stock price to more normalized trading levels in the face of potentially extended market dislocations;
- assist with future potential capital raises;
- appeal to a broader range of investors to generate greater investor interest in us;
- to the extent the broker commissions paid by our investors depend on the value of the shares being traded, reduce stockholder transaction costs because investors would pay a lower commission to trade a fixed dollar amount of our stock if our stock price were higher than they would if our stock price were lower; and
- increase the likelihood that our stock will remain eligible for listing on Nasdaq.

If our LTRPA shares are delisted from Nasdaq and they are not able to be listed on another exchange, our LTRPA shares could be quoted on the OTC Bulletin Board or in the "pink sheets." As a result, we could face significant adverse consequences including, among others:

- a limited availability of market quotations for our securities;
- a determination that LTRPA is a "penny stock" which will require brokers trading in our shares to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and little or no analyst coverage of our company;
- we would no longer qualify for exemptions from state securities registration requirements, which may require us to comply with applicable state securities laws; and
- a decreased ability to issue additional securities (including pursuant to short-form registration statements on Form S-3) or obtain additional financing in the future.

Although our board of directors believes that a reverse stock split will in fact increase the trading price of our LTRPA shares, in many cases, because of variables outside of our control (such as recent market volatility in response to economic disruptions and uncertainties created by the worldwide impact of COVID-19, investor response to the news of a proposed reverse stock split, and other prevailing market, industry and general economic conditions), the market price of our LTRPA shares may in fact decline in value after effecting the reverse stock split. You should also keep in mind that the implementation of a reverse stock split does not have an effect on the actual or intrinsic value of our business or a stockholder's proportional ownership in our company. However, should the overall value of our LTRPA shares decline after the proposed reverse stock split, then the actual or intrinsic value of our LTRPA shares held by you will also proportionately decrease as a result of the overall decline in value.

POTENTIAL EFFECTS OF THE PROPOSED REVERSE STOCK SPLIT

If this proposal is approved and the reverse stock split is effected, the reverse stock split will be realized simultaneously and in the same ratio for all of our issued and outstanding LTRPA and LTRPB shares. The immediate effect of a reverse stock split would be to reduce the number of LTRPA and LTRPB shares outstanding and to increase the per share trading price of our LTRPA and LTRPB shares.

However, we cannot predict the effect of any reverse stock split upon the market price of our LTRPA and LTRPB shares over an extended period. We cannot assure you that the trading price of our LTRPA and LTRPB shares after the reverse stock split will rise in inverse proportion to the reduction in the number of outstanding LTRPA and LTRPB shares as a result of the reverse stock split. Also, we cannot assure you that a reverse stock split would lead to a sustained increase in the trading price of our LTRPA and LTRPB shares. The trading price of our common stock may change due to a variety of other factors, including our and Tripadvisor's operating results and other factors related to our and Tripadvisor's business and recent market volatility in response to economic disruptions and uncertainties created by the worldwide impact of COVID-19.

Examples of Potential Reverse Stock Split at Various Ratios

The table below provides examples of reverse stock splits at various ratios from 1-for-2 up to 1-for-20, without giving effect to the treatment of fractional shares. The actual number of shares outstanding after giving effect to the reverse stock split and the amount of cash to be paid in lieu of the issuance of fractional shares, if effected, will depend on the actual ratio that is determined by our board of directors or the reverse split committee and publicly announced prior to the effective time (as defined below) in accordance with the proposed amendment to our restated charter.

LTRPA Shares Outstanding at February 29, 2020(1)	LTRPB Shares Outstanding at February 29, 2020(1)	Reverse Stock Split Ratio	LTRPA Shares Outstanding after Reverse Stock Split(1)	LTRPB Shares Outstanding after Reverse Stock Split(1)	Reduction in Shares Outstanding
72,154,703	2,929,401	1-for-2	36,077,352	1,464,701	50%
72,154,703	2,929,401	1-for-5	14,430,941	585,880	80%
72,154,703	2,929,401	1-for-10	7,215,470	292,940	90%
72,154,703	2,929,401	1-for-20	3,607,735	146,470	95%

(1) Excludes shares of common stock issuable upon exercise of stock options and vesting of RSUs.

The resulting decrease in the number of shares of our LTRPA and LTRPB shares outstanding could potentially adversely affect their respective liquidity, especially in the case of larger block trades.

Effects on Ownership by Individual Stockholders

If we implement a reverse stock split, the number of LTRPA and LTRPB shares held by each stockholder would be reduced by multiplying the number of shares of LTRPA or LTRPB held immediately before the reverse stock split by the ratio determined by our board of directors or the reverse split committee and publicly announced prior to the effective time and then rounding down to the nearest whole share of each series. We would pay cash to each stockholder in lieu of any fractional interest in a share to which each stockholder would otherwise be entitled as a result of the reverse stock split, as described in further detail below. The reverse stock split would not affect any stockholder's percentage ownership interest in our company or proportionate voting power, except to the extent that interests in fractional shares would be paid in cash.

Effect on Restricted Stock, RSUs and Options

Outstanding shares of restricted stock would be reduced in the reverse stock split in the same manner as other outstanding shares of our common stock. In addition, we would adjust the number of unissued shares underlying any RSUs and options entitling the holders to purchase shares of our common stock as a result of the reverse stock split, as required by the terms of these securities. In particular, we would reduce the number of shares underlying each RSU or option, and would increase the exercise price of each option, in each case, in accordance with the terms of these equity awards and based on the 1-for-2, up to 1-for-20 ratio of the reverse stock split (i.e., the number of shares issuable under such securities would decrease by 50%, up to 95%, respectively, and the exercise price per share would be multiplied by 2, up to 20, respectively). Also, we would reduce the number of shares reserved for issuance under our 2019 Omnibus Incentive Plan (the **2019 incentive plan**), proportionately based on the ratio of the reverse stock split. A reverse stock split would not otherwise affect any of the rights currently accruing to holders of our restricted stock, RSUs or options exercisable for our common stock.

Effect on LTRPB Shares

One of the continued listing requirements applicable to our LTRPB shares is that there be at least 100,000 publicly held shares of LTRPB outstanding that are not held by any of our directors, executive officers or beneficial holders of 10% or more of our LTRPB shares (the **Nasdaq publicly held shares minimum**). Our restated charter requires the LTRPB shares to be reclassified on an equal per share basis as the LTRPA shares in the reverse split. As of February 29, 2020, there were approximately 144,000 publicly held LTRPB shares. If a 1-for-2 ratio were applied to our LTRPB shares in the reverse split, resulting in a 50% reduction in the number of issued and outstanding LTRPB shares, we expect that the LTRPB shares would be subject to delisting from Nasdaq, unless the number of publicly held LTRPB shares is later increased to satisfy the Nasdaq publicly held shares minimum.

If our LTRPB shares are delisted from Nasdaq and they are not able to be listed on another exchange, our LTRPB shares could be quoted on the OTC Markets or in the “pink sheets.” If our LTRPB shares are quoted on the OTC Markets, it could result in more limited availability of market quotations for our LTRPB shares and could lead to a determination that LTRPB is a “penny stock,” which will require brokers trading in those shares to adhere to more stringent rules and possibly result in even further reduced levels of trading activity in the secondary trading market for our LTRPB shares as our LTRPB shares are currently thinly traded.

LTRPB shares are convertible into LTRPA shares on a one-for-one basis, and a holder’s ability to convert their LTRPB shares will remain unchanged following the reverse split. Any LTRPA shares that are issued upon conversion of LTRPB shares will automatically be listed on Nasdaq following such conversion, provided that the LTRPA shares continue to satisfy Nasdaq’s continued listing standards.

Other Effects on Outstanding Shares

A reverse stock split would have no effect on the rights pertaining to the outstanding LTRPA and LTRPB shares as provided for under our restated charter. Each share of our common stock issued following the reverse stock split would be fully paid and nonassessable.

The reverse stock split would result in some stockholders owning “odd-lots” of less than 100 shares of our common stock. Brokerage commissions and other costs of transactions in odd-lots are generally higher than the costs of transactions in “round-lots” of even multiples of 100 shares.

After the effective time, our LTRPA and LTRPB shares will have new Committee on Uniform Securities Identification Procedures (**CUSIP**) numbers, which are numbers used to identify our equity securities, and stock certificates with the older CUSIP numbers will need to be exchanged for shares of common stock with the new CUSIP number by following the procedures described below. However, until such exchange is made, the old stock certificates will automatically represent the new, post-split number of shares. After the reverse stock split, we will continue to file periodic reports and comply with other requirements of the Securities Exchange Act of 1934, as amended (the **Exchange Act**). We expect that our LTRPA shares will continue to be listed on Nasdaq under the symbol “LTRPA” subject to any decision of our board of directors to list our securities on a different stock exchange; however, Nasdaq may determine to delist our LTRPB shares following the proposed reverse stock split as even a 1-for-2 ratio would reduce the number of publicly held LTRPB shares below the Nasdaq publicly held shares minimum.

Interests of Directors and Executive Officers

Our directors and executive officers have no substantial interests, directly or indirectly, in the matters set forth in this Proposal 3, except to the extent of their ownership of shares of our common stock.

AUTHORIZED SHARES OF STOCK

The reverse stock split would affect all issued and outstanding LTRPA and LTRPB shares and outstanding rights to acquire LTRPA and LTRPB shares on an equal per share basis. We will not change the number of LTRPA and LTRPB shares currently authorized. However, upon the effectiveness of the reverse stock split, the number of authorized LTRPA and LTRPB shares that are not issued or outstanding would increase due to the reduction in the number of LTRPA and LTRPB shares issued and outstanding as a result of the reverse stock split.

As of February 29, 2020, we had authorized (i) 200,000,000 LTRPA shares, of which 72,154,703 shares were issued and outstanding, (ii) 7,500,000 LTRPB shares, of which 2,929,401 shares were issued and outstanding, (iii) 200,000,000 shares of Series C common stock, par value $0.01 per share, of which there were no shares issued or outstanding, and (iv) 50,000,000 shares of preferred stock, par value $0.01 per share, of which there were no shares outstanding. For information regarding the issuance of 325,000 shares of Series A Preferred Stock to Certares LTRIP LLC on March 26, 2020, see "Certain Relationships and Related Party Transactions—Investment Agreement."

We will reserve for issuance any authorized but unissued shares of common stock that would be made available as a result of the proposed reverse stock split.

We do not have any plans, arrangements or understandings for the remaining portion of the authorized but unissued shares that will be available following the reverse stock split.

PROCEDURE FOR EFFECTING THE PROPOSED REVERSE STOCK SPLIT AND EXCHANGE OF STOCK CERTIFICATES

If stockholders approve this proposal and our board of directors does not otherwise abandon the amendment providing for the reverse stock split, we will file with the Delaware Secretary of State a Certificate of Amendment to our restated charter, in the form attached to this proxy statement as Annex A. The reverse stock split will become effective at the time and on the date of filing of, or at such later date and time as may be specified in, the Certificate of Amendment, which we refer to as the **effective time**. Beginning at the effective time, until exchanged for a new certificate as referenced below, each certificate representing LTRPA and LTRPB shares will be deemed for all corporate purposes to evidence ownership of the number of whole shares into which the shares previously represented by the certificate were combined pursuant to the reverse stock split.

Upon the reverse stock split, we intend to treat stockholders holding our LTRPA and LTRPB shares in "street name," through a bank, broker or other nominee, in the same manner as registered stockholders whose shares are registered in their names. Banks, brokers or other nominees will be instructed to effect the reverse stock split for their beneficial holders holding our LTRPA and LTRPB shares in "street name." However, these banks, brokers or other nominees may have different procedures for processing the reverse stock split. If you hold your shares with a bank, broker or other nominee and if you have any questions in this regard, we encourage you to contact your nominee.

Following the reverse stock split, stockholders holding physical certificates must exchange those certificates for new certificates and a cash payment in lieu of any fractional shares.

Our transfer agent will advise registered stockholders of the procedures to be followed to exchange certificates in a letter of transmittal to be sent to stockholders. No new certificates or cash payments in lieu of fractional shares will be issued to a stockholder until the stockholder has surrendered the stockholder's outstanding certificate(s), together with the properly completed and executed letter of transmittal, to the transfer agent. Any certificates that have not yet been exchanged that are submitted in connection with any transfer of LTRPA or LTRPB shares following the effective time, whether pursuant to a sale, other disposition or otherwise, will automatically be exchanged for new certificates. **Stockholders should not destroy any stock certificate(s) and should not submit any certificate(s) until requested to do so.**

FRACTIONAL SHARES

We will not issue fractional shares in connection with the reverse stock split. Instead, any fractional share resulting from the reverse stock split because the stockholder owns a number of shares not evenly divisible by the ratio would instead receive cash upon surrender to the exchange agent of the certificates and a properly completed and executed letter of transmittal. The cash amount to be paid to each stockholder would be equal to the resulting fractional interest in one LTRPA share or one LTRPB share to which the stockholder would otherwise be entitled, multiplied by the fair value of one LTRPA share or one LTRPB share, as applicable, at the effective time, as determined in good faith by our board of directors or the reverse split committee. We do not anticipate that the aggregate cash amount paid by our company for fractional interests will be material to us.

NO APPRAISAL RIGHTS

No appraisal rights are available under the General Corporation Law of the State of Delaware or under our restated charter or restated bylaws with respect to the reverse stock split.

ACCOUNTING CONSEQUENCES

The par value of our LTRPA and LTRPB shares would remain unchanged at $0.01 per share after the reverse stock split. Also, our capital account (for accounting purposes) would remain unchanged, and we do not anticipate that any other accounting consequences would arise as a result of the reverse stock split.

NO GOING PRIVATE TRANSACTION

Notwithstanding the decrease in the number of outstanding shares following the reverse stock split, our board of directors does not intend for this transaction to be the first step in a “going private transaction” within the meaning of Rule 13e-3 of the Exchange Act.

POTENTIAL ANTI-TAKEOVER EFFECT

SEC rules require disclosure and discussion of the effects of any proposal that could be used as an anti-takeover device. This proposal, if adopted and implemented, will result in a relative increase in the number of authorized but unissued LTRPA and LTRPB shares vis-à-vis the outstanding LTRPA and LTRPB shares and could, under certain circumstances, have an anti-takeover effect, although that is not the purpose or intent of the proposal. A relative increase in the number of authorized but unissued shares of common stock could have other effects on our stockholders, depending upon the exact nature and circumstances of any actual issuances of authorized shares. A relative increase in our authorized but unissued shares of common stock could potentially deter takeovers, including takeovers that our board of directors determines are not in the best interest of our stockholders, in that additional shares could be issued (within the limits imposed by applicable law) in one or more transactions that could make a change in control or takeover more difficult. Our board of directors is not aware of any attempt to take control of our business and has not considered the reverse stock split to be a tool to be utilized as a type of anti-takeover device. We currently have no plans, proposals or arrangements to issue any shares of common stock that would become newly available for issuance as a result of the reverse stock split.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT

The following discussion is a summary of the material U.S. federal income tax consequences of the reverse stock split to U.S. Holders (as defined below). This summary is based on the Internal Revenue Code of 1986, as amended (the **Code**), the U.S. Treasury regulations promulgated thereunder, and administrative rulings and court decisions in effect as of the date of this proxy statement, all of which may be subject to change or differing interpretation. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a U.S. Holder. We have not sought and will not seek any ruling from the Internal Revenue Service (the **IRS**) or an opinion from counsel with respect to the U.S. federal income tax consequences discussed below. There can be no assurance that the tax consequences discussed below would be accepted by the IRS or a court. The tax treatment of the reverse stock split to holders may vary depending upon a holder’s particular facts and circumstances.

For purposes of this discussion, a **U.S. Holder** is a beneficial owner of our common stock that, for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if (1) its administration is subject to the primary supervision of a court within the United States and all of its substantial decisions are subject to the control of one or more “United States persons” (within the meaning

of Section 7701(a)(30) of the Code), or (2) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

This discussion is limited to U.S. Holders who hold their shares of our common stock as capital assets within the meaning of the Code (generally, property held for investment). This discussion does not address all aspects of U.S. federal income taxation that may be relevant to holders subject to special tax treatment, such as financial institutions, dealers in securities, insurance companies, foreign persons and tax-exempt entities. In addition, this discussion does not consider the effects of any other U.S. federal tax laws or any applicable state, local, foreign or other tax laws and does not consider the effects with respect to any restricted stock, options or RSUs. If a partnership or other entity or arrangement classified as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner thereof will generally depend upon the status of the partner and upon the activities of the partnership. If you are a partner in a partnership holding our common stock, you should consult your tax advisor regarding the tax consequences of the reverse stock split.

STOCKHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO ANY U.S. FEDERAL, STATE, LOCAL OR FOREIGN TAX CONSEQUENCES APPLICABLE TO THEM THAT COULD RESULT FROM THE REVERSE STOCK SPLIT.

A U.S. Holder generally should not recognize gain or loss upon the reverse stock split, except with respect to cash received in lieu of a fractional share of our common stock, as discussed below. A U.S. Holder’s aggregate adjusted tax basis in their shares of our common stock held immediately after the reverse stock split should equal their aggregate adjusted tax basis of their shares of our common stock held immediately before the reverse stock split (reduced by the amount of such basis that is allocated to any fractional share of our common stock). The U.S. Holder’s holding period in their shares of our common stock held immediately after the reverse stock split should include the holding period in their shares of our common stock held immediately before the reverse stock split. U.S. Treasury regulations provide detailed rules for allocating the tax basis and holding period among shares of our common stock which were acquired by a stockholder on different dates and at different prices. U.S. Holders of shares of our common stock acquired on different dates and at different prices should consult their tax advisors regarding the allocation of the tax basis and holding period among such shares.

A U.S. Holder who receives cash in lieu of a fractional share of common stock will be treated as first receiving such fractional share and then receiving cash in redemption of such fractional share. A U.S. Holder generally should recognize capital gain or loss on such deemed redemption in an amount equal to the difference between the amount of cash received and the portion of the U.S. Holder’s aggregate adjusted tax basis in the shares of our common stock surrendered that is allocated to such fractional share. Such capital gain or loss will be treated as long term capital gain or loss if the pre-reverse stock split shares of our common stock were held by the U.S. Holder for more than one year at the time of the reverse stock split. However, special rules may apply to cause all or a portion of the cash received in lieu of a fractional share of our common stock to be treated as dividend income with respect to certain U.S. Holders who own more than a minimal amount of our common stock or who exercise some control over the affairs of our company. U.S. Holders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of receiving cash in lieu of fractional shares of our common stock based on their particular circumstances.

A payment of cash made in lieu of a fractional share of our common stock may, under certain circumstances, be subject to information reporting and backup withholding. To avoid backup withholding, each U.S. Holder of our common stock that does not otherwise establish an exemption should furnish on applicable IRS forms (generally, an IRS Form W-9) its taxpayer identification number and comply with the applicable certification procedures.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules will be allowed as a credit against the U.S. Holder’s U.S. federal income tax liability and may entitle such holder to a refund, provided the required information is timely furnished to the IRS. U.S. Holders of our common stock should consult their own tax advisors regarding the application of the information reporting and backup withholding rules to them.

BOARD DISCRETION TO IMPLEMENT THE REVERSE STOCK SPLIT

Our board of directors has reserved the right to abandon the amendment at any time before the effectiveness of the filing of the Certificate of Amendment with the Delaware Secretary of State, even if the adoption of the amendment is approved by our stockholders.

VOTE AND RECOMMENDATION

The affirmative vote of the holders of record of a majority of the voting power of the outstanding shares of our common stock entitled to vote on this proposal, voting together as a single class, will be required for approval of this proposal.

Our board of directors unanimously recommends that you vote "FOR" the reverse stock split proposal.

MANAGEMENT AND GOVERNANCE MATTERS

EXECUTIVE OFFICERS

The following lists the executive officers of our company (other than Gregory B. Maffei, our Chairman of the Board, President and Chief Executive Officer, and Albert E. Rosenthaler, Chief Corporate Development Officer of our company, each of whom also serve as directors of our company and who are listed under "Proposals of Our Board—Proposal 1—The Election of Directors Proposal"), their ages and a description of their business experience, including positions held with our company.

Name	Positions
Brian J. Wendling Age: 47	Mr. Wendling has served as a Senior Vice President and Chief Financial Officer of our company since January 2016. He previously served as Vice President and Controller of our company from August 2014 to December 2015. He also has served as Chief Accounting Officer and Principal Financial Officer, since January 2020 and July 2019, respectively, of Liberty Media, Qurate Retail, Liberty Broadband and GCI Liberty. He previously served as Senior Vice President and Controller of Liberty Media, Qurate Retail and Liberty Broadband from January 2016 to December 2019 and GCI Liberty from March 2018 to December 2019. He previously served as Senior Vice President of Liberty Expedia from March 2016 to July 2019 and Vice President and Controller of Liberty Media (including its predecessor) from November 2011 to December 2015, Qurate Retail from November 2011 to December 2015 and Liberty Broadband from October 2014 to December 2015. Prior thereto, Mr. Wendling held various positions with Liberty Media and Qurate Retail and their predecessors since 1999.
Renee L. Wilm Age: 46	Ms. Wilm has served as Chief Legal Officer of our company, Liberty Media, Qurate Retail, Liberty Broadband and GCI Liberty since September 2019. Previously, Ms. Wilm was a Senior Partner with the law firm Baker Botts L.L.P., where she represented our company, Liberty Media, Qurate Retail, Liberty Broadband and GCI Liberty and their predecessors for over twenty years, specializing in mergers and acquisitions, complex capital structures and shareholder arrangements, as well as securities offerings and matters of corporate governance and securities law compliance. At Baker Botts, Ms. Wilm was a member of the Executive Committee, the East Coast Corporate Department Chair and Partner-in-Charge of the New York office.

Our executive officers will serve in such capacities until their respective successors have been duly elected and have been qualified, or until their earlier death, resignation, disqualification or removal from office. There is no family relationship between any of our executive officers or directors, by blood, marriage or adoption.

During the past ten years, none of our directors or executive officers has had any involvement in such legal proceedings as would be material to an evaluation of his or her ability or integrity.

CODE OF ETHICS

We have adopted a code of business conduct and ethics that applies to all of our employees, directors and officers, which constitutes our "code of ethics" within the meaning of Section 406 of the Sarbanes-Oxley Act. Our code of business conduct and ethics is available on our website at *www.libertytripadvisorholdings.com*.

DIRECTOR INDEPENDENCE

It is our policy that a majority of the members of our board of directors be independent of our management. For a director to be deemed independent, our board of directors must affirmatively determine that the director has no direct or indirect material relationship with us. To assist our board of directors in determining which of our directors qualify as independent for purposes of Nasdaq rules as well as applicable rules and regulations adopted by the SEC, the nominating and corporate governance committee of our board of directors follows Nasdaq's corporate governance rules on the criteria for director independence.

Our board of directors has determined that each of Michael J. Malone, Chris Mueller, M. Gregory O'Hara, Larry E. Romrell and J. David Wargo qualifies as an independent director of our company.

BOARD COMPOSITION

As described above under "Proposals of Our Board—Proposal 1—The Election of Directors Proposal," our board is comprised of directors with a broad range of backgrounds and skill sets, including in media and telecommunications, technology, venture capital, private equity, real estate finance, auditing and financial engineering. For more information on our policies with respect to board candidates, see "—Committees of the Board of Directors—Nominating and Corporate Governance Committee" below.

BOARD LEADERSHIP STRUCTURE

Gregory B. Maffei currently serves as our Chairman of the Board, President and Chief Executive Officer (principal executive officer) and is responsible for identifying and implementing strategic initiatives as well as providing executive leadership. Our board believes that our President and Chief Executive Officer is best suited to serve as Chairman of the Board because he is the director most familiar with our company's business and industry, and most capable of effectively identifying strategic priorities for our company, leading the board in discussions regarding our business and strategic direction, and focusing the board on execution of strategy. Independent directors and management have different perspectives and roles in strategy development. Our independent directors bring experience, oversight and expertise from outside our company and industry, while our President and Chief Executive Officer brings significant financial and operational experience based on his past and present senior policy making positions as a director and/or executive officer at our company and other large public companies. Our board believes that the combined role of Chairman of the Board and President and Chief Executive Officer promotes strategy development and execution, and facilitates information flow between management and the board. In light of the active involvement by our independent directors, our board has not named a lead independent director.

BOARD ROLE IN RISK OVERSIGHT

The board as a whole has responsibility for risk oversight, with reviews of certain areas being conducted by the relevant board committees. Our audit committee oversees management of financial risks and risks relating to potential conflicts of interest. Our compensation committee oversees the management of risks relating to our compensation arrangements with senior officers. Our nominating and corporate governance committee oversees risks associated with the independence of the board. These committees then provide reports periodically to the full board. The oversight responsibility of the board and its committees is enabled by management reporting processes that are designed to provide visibility to the board about the identification, assessment and management of critical risks. These areas of focus include strategic, operational, financial and reporting, succession and compensation, legal and compliance, and other risks. Our management reporting processes include regular reports from Mr. Maffei, which are prepared with input from our senior management team, and also include input from our Internal Audit group.

COMMITTEES OF THE BOARD OF DIRECTORS

Executive Committee

Our board of directors has established an executive committee, whose members are Gregory B. Maffei, Chris Mueller and Albert E. Rosenthaler. Except as specifically prohibited by the General Corporation Law of the State of Delaware, the executive committee may exercise all the powers and authority of our board of directors in the management of our business and affairs, including the power and authority to authorize the issuance of shares of our capital stock.

Compensation Committee

Our board of directors has established a compensation committee, whose chairman is Larry E. Romrell and whose other members are Michael J. Malone and J. David Wargo. See "—Director Independence" above.

In August 2014, the spin-off of our company (formerly a wholly-owned subsidiary of Qurate Retail) from Qurate Retail was completed (the **Spin-Off**). In connection with the Spin-Off, we entered into a Services Agreement, dated August 27, 2014, with Liberty Media (the **services agreement**), pursuant to which Liberty Media provides us with administrative, executive and management services. The compensation committee evaluates the services fee under the services agreement on at least an annual basis although in 2019, our compensation committee determined to delay its evaluation due to the then-ongoing negotiations relating to Mr. Maffei's compensation arrangement. In addition, the compensation committee may approve incentive awards or other forms of compensation to employees of Liberty Media who are providing services to our company, which employees include our executive officers. The compensation committee determined to grant equity award compensation for 2019 (see "Executive Compensation—Compensation Discussion and Analysis").

If we engage a chief executive officer, chief financial officer, chief legal officer or chief corporate development officer to perform services for our company outside the services agreement, the compensation committee will review and approve corporate goals and objectives relevant to the compensation of any such person. The compensation committee also oversees the compensation of the chief executive officers of our non-public operating subsidiaries. For a description of our current processes and policies for consideration and determination of executive compensation, including the role of our Chief Executive Officer and an outside consultant in determining or recommending amounts and/or forms of compensation, see "Executive Compensation—Compensation Discussion and Analysis."

Our board of directors has adopted a written charter for the compensation committee, which is available on our website at *www.libertytripadvisorholdings.com*.

Compensation Committee Report

The compensation committee has reviewed and discussed with our management the "Compensation Discussion and Analysis" included under "Executive Compensation" below. Based on such review and discussions, the compensation committee recommended to our board of directors that the "Compensation Discussion and Analysis" be included in this proxy statement.

Submitted by the Members of the Compensation Committee

Larry E. Romrell
Michael J. Malone
J. David Wargo

Compensation Committee Interlocks and Insider Participation

No member of our compensation committee during 2019 is or has been an officer or employee of our company, or has engaged in any related party transaction in which our company was a participant.

Nominating and Corporate Governance Committee

Our board of directors has established a nominating and corporate governance committee, whose chairman is J. David Wargo and whose other members are Michael J. Malone and Larry E. Romrell. See "—Director Independence" above.

The nominating and corporate governance committee identifies individuals qualified to become board members consistent with criteria established or approved by our board of directors from time to time, identifies director nominees for upcoming annual meetings, develops corporate governance guidelines applicable to our company and oversees the evaluation of our board and management.

Board Criteria. The nominating and corporate governance committee believes that nominees for director should possess the highest personal and professional ethics, integrity, values and judgment and should be committed to the long-term interests of our stockholders. To be nominated to serve as a director, a nominee need not meet any specific minimum criteria. As described in our corporate governance guidelines, director candidates are identified and nominated based on broad criteria, with the objective of identifying and retaining directors that can effectively develop the company's strategy and oversee management's execution of that strategy. In the director candidate identification and nomination process, our board seeks a breadth of experience from a variety of industries and from professional disciplines, along with a diversity of gender, ethnicity, age and other characteristics. When evaluating a potential director nominee, including one recommended by a stockholder, the nominating and corporate governance committee will take into account a number of factors, including, but not limited to, the following:

- independence from management;
- his or her unique background, including education, professional experience, relevant skill sets and diversity of gender, ethnicity, age and other characteristics;
- judgment, skill, integrity and reputation;

- existing commitments to other businesses as a director, executive or owner;
- personal conflicts of interest, if any; and
- the size and composition of the existing board of directors, including whether the potential director nominee would positively impact the composition of the board by bringing a new perspective or viewpoint to the board of directors.

The nominating and corporate governance committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees.

Director Candidate Identification Process. The nominating and corporate governance committee will consider candidates for director recommended by any stockholder provided that such recommendations are properly submitted. Eligible stockholders wishing to recommend a candidate for nomination as a director should send the recommendation in writing to the Corporate Secretary, Liberty TripAdvisor Holdings, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112. Stockholder recommendations must be made in accordance with our bylaws, as discussed under "Stockholder Proposals" below, and contain the following information:

- the name and address of the proposing stockholder and the beneficial owner, if any, on whose behalf the nomination is being made, and documentation indicating the number of shares of our common stock owned beneficially and of record by such person and the holder or holders of record of those shares, together with a statement that the proposing stockholder is recommending a candidate for nomination as a director;
- the candidate's name, age, business and residence addresses, principal occupation or employment, business experience, educational background and any other information relevant in light of the factors considered by the nominating and corporate governance committee in making a determination of a candidate's qualifications, as described below;
- a statement detailing any relationship, arrangement or understanding between the proposing stockholder and/or beneficial owner(s), if different, and any other person(s) (including their names) under which the proposing stockholder is making the nomination and any affiliates or associates (as defined in Rule 12b-2 of the Exchange Act) of such proposing stockholder(s) or beneficial owner (each a **Proposing Person**);
- a statement detailing any relationship, arrangement or understanding that might affect the independence of the candidate as a member of our board of directors;
- any other information that would be required under SEC rules in a proxy statement soliciting proxies for the election of such candidate as a director;
- a representation as to whether the Proposing Person intends (or is part of a group that intends) to deliver any proxy materials or otherwise solicit proxies in support of the director nominee;
- a representation by each Proposing Person who is a holder of record of our common stock as to whether the notice is being given on behalf of the holder of record and/or one or more beneficial owners, the number of shares held by any beneficial owner along with evidence of such beneficial ownership and that such holder of record is entitled to vote at the annual stockholders meeting and intends to appear in person or by proxy at the annual stockholders meeting at which the person named in such notice is to stand for election;
- a written consent of the candidate to be named in the proxy statement and to serve as a director, if nominated and elected;
- a representation as to whether the Proposing Person has received any financial assistance, funding or other consideration from any other person regarding the nomination (a **Stockholder Associated Person**) (including the details of such assistance, funding or consideration); and
- a representation as to whether and the extent to which any hedging, derivative or other transaction has been entered into with respect to our company within the last six months by, or is in effect with respect to, the Proposing Person, any person to be nominated by the proposing stockholder or any Stockholder Associated Person, the effect or intent of which transaction is to mitigate loss to or manage risk or benefit of share price changes for, or increase or decrease the voting power of, the Proposing Person, its nominee, or any such Stockholder Associated Person.

In connection with its evaluation, the nominating and corporate governance committee may request additional information from the proposing stockholder and the candidate. The nominating and corporate governance committee has sole discretion to decide which individuals to recommend for nomination as directors.

When seeking candidates for director, the nominating and corporate governance committee may solicit suggestions from incumbent directors, management, stockholders and others. After conducting an initial evaluation of a prospective nominee, the nominating and corporate governance committee will interview that candidate if it believes the candidate might be suitable to be a director. The nominating and corporate governance committee may also ask the candidate to meet with management. If the nominating and corporate governance committee believes a candidate would be a valuable addition to our board of directors, it may recommend to the full board that candidate's nomination and election.

Prior to nominating an incumbent director for re-election at an annual meeting of stockholders, the nominating and corporate governance committee will consider the director's past attendance at, and participation in, meetings of the board of directors and its committees and the director's formal and informal contributions to the various activities conducted by the board and the board committees of which such individual is a member.

The members of our nominating and corporate governance committee have determined that Messrs. Mueller and Rosenthaler, who are nominated for election at the annual meeting, continue to be qualified to serve as directors of our company and such nomination was approved by the entire board of directors.

Our board of directors has adopted a written charter for the nominating and corporate governance committee. Our board of directors has also adopted corporate governance guidelines, which were developed by the nominating and corporate governance committee. The charter and the corporate governance guidelines are available on our website at *www.libertytripadvisorholdings.com*.

Audit Committee

Our board of directors has established an audit committee, whose chairman is Chris Mueller and whose other members are Michael J. Malone and J. David Wargo. See "—Director Independence" above.

Our board of directors has determined that Mr. Mueller is our company's "audit committee financial expert" under applicable SEC rules and regulations. The audit committee reviews and monitors the corporate financial reporting and the internal and external audits of our company. The committee's functions include, among other things:

- appointing or replacing our independent auditors;
- reviewing and approving in advance the scope and the fees of our annual audit and reviewing the results of our audits with our independent auditors;
- reviewing and approving in advance the scope and the fees of non-audit services of our independent auditors;
- reviewing compliance with and the adequacy of our existing major accounting and financial reporting policies;
- reviewing our management's procedures and policies relating to the adequacy of our internal accounting controls and compliance with applicable laws relating to accounting practices;
- confirming compliance with applicable SEC and stock exchange rules; and
- preparing a report for our annual proxy statement.

Our board of directors has adopted a written charter for the audit committee, which is available on our website at *www.libertytripadvisorholdings.com*.

Audit Committee Report

Each member of the audit committee is an independent director as determined by our board of directors, based on the listing standards of Nasdaq. Each member of the audit committee also satisfies the SEC's independence requirements for members of audit committees. Our board of directors has determined that Mr. Mueller is an "audit committee financial expert" under applicable SEC rules and regulations.

The audit committee reviews our financial reporting process on behalf of our board of directors. Management has primary responsibility for establishing and maintaining adequate internal controls, for preparing financial statements and for the public reporting process. Our independent auditor, KPMG LLP, is responsible for expressing opinions on the conformity of our audited consolidated financial statements with U.S. generally accepted accounting principles. Our independent auditor also expresses its opinion as to the effectiveness of our internal control over financial reporting.

Our audit committee has reviewed and discussed with management and KPMG LLP our most recent audited consolidated financial statements, as well as management's assessment of the effectiveness of our internal control over financial reporting and KPMG LLP's evaluation of the effectiveness of our internal control over financial reporting. Our audit committee has also discussed with KPMG LLP the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (the **PCAOB**) and the SEC, including that firm's judgment about the quality of our accounting principles, as applied in its financial reporting.

KPMG LLP has provided our audit committee with the written disclosures and the letter required by the applicable requirements of the PCAOB regarding KPMG LLP's communications with the audit committee concerning independence, and the audit committee has discussed with KPMG LLP that firm's independence from the company and its subsidiaries.

Based on the reviews, discussions and other considerations referred to above, our audit committee recommended to our board of directors that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2019 (the **2019 Form 10-K**), which was filed on February 19, 2020 with the SEC.

Submitted by the Members of the Audit Committee

Chris Mueller
Michael J. Malone
J. David Wargo

Other

Our board of directors, by resolution, may from time to time establish other committees of our board of directors, consisting of one or more of our directors. Any committee so established will have the powers delegated to it by resolution of our board of directors, subject to applicable law.

BOARD MEETINGS

During 2019, there were five meetings of our full board of directors, no meetings of our executive committee, five meetings of our compensation committee, one meeting of our nominating and corporate governance committee and five meetings of our audit committee. Each incumbent director attended in person or by telephone 100% of the meetings of both the board of directors and the committees on which he or she served.

DIRECTOR ATTENDANCE AT ANNUAL MEETINGS

Our board of directors encourages all members of the board to attend the 2020 annual meeting of our stockholders and to attend future annual meetings of our stockholders. Six directors attended our 2019 annual meeting of stockholders.

STOCKHOLDER COMMUNICATION WITH DIRECTORS

Our stockholders may send communications to our board of directors or to individual directors by mail addressed to the Board of Directors or to an individual director c/o Liberty TripAdvisor Holdings, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112. All such communications from stockholders will be forwarded to our directors on a timely basis.

EXECUTIVE SESSIONS

In 2019, the independent directors of our company, then serving, met at four executive sessions without management participation.

Any interested party who has a concern regarding any matter that it wishes to have addressed by our independent directors, as a group, at an upcoming executive session may send its concern in writing addressed to Independent Directors of Liberty TripAdvisor Holdings, Inc., c/o Liberty TripAdvisor Holdings, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112. The current independent directors of our company are Michael J. Malone, Chris Mueller, M. Gregory O'Hara, Larry E. Romrell and J. David Wargo.

HEDGING DISCLOSURE

We do not have any practices or policies regarding the ability of our employees (including officers) or directors, or any of their designees, to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars, and exchange funds), or otherwise engage in transactions, that hedge or offset, or are designed to hedge or offset, any decrease in the market value of our equity securities.

EXECUTIVE COMPENSATION

This section sets forth information relating to, and an analysis and discussion of, compensation paid by our company to the following persons (who we collectively refer to as our **named executive officers**):

- Gregory B. Maffei, our Chairman of the Board, President and Chief Executive Officer;
- Brian J. Wendling, our Senior Vice President and Chief Financial Officer; and
- Renee L. Wilm, our Chief Legal Officer.

Pursuant to the services agreement (as described below), employees of Liberty Media perform management services for our company for a monthly fee payable to Liberty Media, which is reviewed quarterly by the audit committees of our company and Liberty Media. As described above, our executive officers are comprised of Messrs. Maffei, Wendling and Rosenthaler and Ms. Wilm, each of whom is an employee of Liberty Media and provides executive services to our company under the services agreement. Effective September 23, 2019, Richard N. Baer resigned and Ms. Wilm assumed the role of Chief Legal Officer of our company. Our executive officers are typically not separately compensated by our company other than with respect to any equity awards relating to our common stock that our compensation committee may determine to grant. Our named executive officers received equity awards relating to our common stock in 2019. Because the value of the equity awards granted in 2019 did not exceed $100,000 for any of our executive officers (other than Mr. Maffei and Ms. Wilm), neither Mr. Baer nor Mr. Rosenthaler are considered a “named executive officer” of our company for purposes of the Exchange Act and the rules adopted by the SEC.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Overview

Services Agreement

In connection with the Spin-Off, we entered into the services agreement with Liberty Media in August 2014, pursuant to which Liberty Media provides to our company certain administrative and management services, and we pay Liberty Media a monthly management fee, the amount of which is subject to quarterly review by our audit committee (and at least an annual review by our compensation committee, except that the annual review for 2019 was postponed to March 2020 following the entry into Mr. Maffei’s new employment agreement). As a result, Liberty Media employees, including our named executive officers, who provide services to our company pursuant to the services agreement are typically not separately compensated by our company other than with respect to equity awards with respect to our common stock. See “—Equity Incentive Compensation” below for information concerning equity awards that were granted to our named executive officers in 2019. However, as described in more detail in “Changes for 2020—Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement” below, we reimbursed Liberty Media for our allocable portion (currently 5.0%) of the one-time cash commitment bonus to which Mr. Maffei became entitled in connection with his new employment arrangement with Liberty Media (the **2019 Maffei Employment Agreement**) in addition to certain upfront equity awards we granted to Mr. Maffei under his new employment arrangement.

For the year ended December 31, 2019, we accrued management fees payable to Liberty Media under the services agreement of $3.5 million. In December 2019, we entered into an amendment to the services agreement with Liberty Media (the **amended services agreement**) in connection with Liberty Media entering into a new employment arrangement with Mr. Maffei. Under the amended services agreement, beginning in 2020, our company will establish, and pay or grant directly to Mr. Maffei, our allocable portion of his annual performance-based cash bonus, his annual equity-based awards and his upfront awards and we will reimburse Liberty Media for our allocable portion of the other components of Mr. Maffei’s compensation, as described in more detail below in “Changes for 2020—Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement”.

Role of Chief Executive Officer in Compensation Decisions; Setting Executive Compensation

As a result of the management fee paid to Liberty Media, the compensation committee typically does not expect to provide any cash compensation to the executive officers, rather it may determine to compensate the executive officers with equity incentive compensation. Prospectively, Mr. Maffei may make recommendations with respect to any equity compensation to be awarded to our executive officers. It is expected that Mr. Maffei, in making any related recommendations to our compensation committee, will evaluate the performance and contributions of each of our executive officers, given his or her respective area of responsibility, and, in doing so, will consider various qualitative factors such as:

- the executive officer's experience and overall effectiveness;
- the executive officer's performance during the preceding year;
- the responsibilities of the executive officer, including any changes to those responsibilities over the year; and
- the executive officer's demonstrated leadership and management ability.

When determining the extent to which the 2019 Performance RSUs (as defined below) were earned by our named executive officers, our compensation committee considered the recommendations obtained from Mr. Maffei as to the performance of Mr. Wendling and Ms. Wilm. To make these recommendations, Mr. Maffei evaluated the performance and contributions of each such named executive officer.

At the 2018 annual stockholder meeting, stockholders representing a majority of the aggregate voting power of Liberty TripAdvisor present and entitled to vote on its say-on-pay proposal voted in favor of, on an advisory basis, Liberty TripAdvisor's executive compensation, as disclosed in our proxy statement for the 2018 annual meeting of stockholders. No material changes were implemented to our executive compensation program as a result of this vote. In addition, at the 2015 annual meeting of stockholders, stockholders elected to hold a say-on-pay vote every three years.

Role of Independent Compensation Consultant

In December 2019, our compensation committee approved the amended services agreement and we reimbursed Liberty Media for our allocable portion of Mr. Maffei's cash commitment bonus and granted equity awards to him in connection with the execution of the amended services agreement. See "—Executive Compensation Arrangements—Gregory B. Maffei" below. Prior to entering into the amendment to the services agreement with Liberty Media in connection with the 2019 Maffei Employment Agreement, our compensation committee engaged Frederic W. Cook & Co., Inc. (**FW Cook**), an independent and experienced compensation consultant, to assist in determining the reasonableness of compensation to be allocated to our company under the amendment to the services agreement.

In order to assess the reasonableness of compensation, FW Cook evaluated the market value of Mr. Maffei's role at our company and the proposed allocation to our company under the service arrangement. Given the unique nature of Mr. Maffei's role at our company, FW Cook evaluated the market value of the executive job at our company through three different lenses: as Chief Executive Officer, Chairman of the Board, and managing partner of a private equity firm.

In assessing the reasonableness of pay as Chief Executive Officer or Chairman of the Board, FW Cook and the compensation committee reviewed pay data for companies comparable to ours, including companies in the online travel, real estate, insurance, media and marketplace industries, and companies with which we may compete for executive talent and stockholder investment and also included companies in those industries that are similar to our company in size, geographic location or complexity of operations (the **comparable companies**). In assessing the reasonableness of pay as a managing partner of a private equity firm, FW Cook and the compensation committee reviewed survey data regarding the compensation of private equity professionals.

Equity Incentive Compensation

The Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (the **2019 incentive plan**), provides for the grant of a variety of incentive awards, including stock options, restricted shares, restricted stock units (**RSUs**), stock appreciation rights (**SARs**) and performance awards. Our compensation committee has a preference for grants of stock options and awards of restricted stock or RSUs (as compared with other types of available awards under the 2019 incentive plan) based on the belief that they better promote retention of key employees through the continuing, long-term nature of an equity investment. It is the policy of our compensation committee that stock options be awarded with an exercise price equal to fair market value on the date of grant, typically measured by reference to the closing price on the grant date.

As discussed above, our executive officers perform management services for our company pursuant to the services agreement, and from the Spin-Off in 2014 until 2019, we did not separately compensate our executive officers for these services, other than to grant a stock option award to Mr. Maffei in 2014. In addition, Liberty TripAdvisor did not incur any of the costs of the equity awards granted by Liberty Media to its executive officers who provided services to our company during that period. Following a review of this practice, our compensation committee determined to grant the equity awards to Messrs. Maffei and Wendling described below after considering the Liberty Media compensation committee's request that our company grant a proportionate share of the aggregate equity grant value given to each named executive officer each year for their service to our company and each of Liberty Media, Qurate Retail, Liberty Broadband and GCI Liberty. Our compensation committee also determined to grant an equity award to Ms. Wilm when she became Chief Legal Officer of our company after considering the Liberty Media compensation committee's request that our company grant a proportionate share of the aggregate equity grant value to be given to her. The proportionate share for each company was determined based 50% on relative market capitalization and 50% on relative time spent by Liberty Media employees on services for our company.

Consistent with our compensation philosophy, our compensation committee believes in aligning the interests of the named executive officers with those of our stockholders. This will ensure that our executives have a continuing stake in our long-term success. In furtherance of this philosophy, in 2019, our compensation committee granted the following stock options to Mr. Maffei and Ms. Wilm and RSUs to Messrs. Maffei and Wendling and Ms. Wilm:

- In March 2019, our compensation committee granted 26,557 options to purchase LTRPB shares to Mr. Maffei, which vested on December 31, 2019, and expire on March 6, 2026 (the **Maffei 2019 Options**), and RSUs with respect to 35,253 LTRPB shares to Mr. Maffei (the **Maffei 2019 RSUs**) and 1,442 LTRPA shares to Mr. Wendling (the **Wendling 2019 RSUs**);
- In November 2019, in connection with Ms. Wilm assuming the role of Chief Legal Officer of our company, our compensation committee granted to Ms. Wilm 44,414 options to purchase LTRPA shares, which options vest 50% on September 23, 2022 and 50% on September 23, 2023, and expire on November 11, 2026 (the **Wilm 2019 Options**), and RSUs with respect to 1,325 LTRPA shares (the **Wilm 2019 RSUs**) (together with the Maffei 2019 RSUs and the Wendling 2019 RSUs, the **2019 Performance RSUs**); and
- In December 2019, in connection with the execution of Mr. Maffei's new employment agreement with Liberty Media (see "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement"), our compensation committee granted RSUs with respect to 320,057 LTRPB shares to Mr. Maffei, which vest on December 15, 2023, subject to Mr. Maffei's continued employment (the **Maffei 2019 Term RSUs**) (together with the 2019 Performance RSUs, the **2019 RSUs**).

Our compensation committee reviewed Mr. Maffei's performance to determine what portion of the Maffei 2019 RSUs would be paid. After assessing his strategic contributions and executive performance, our compensation committee determined to vest 100% of the previously issued Maffei 2019 RSUs. Our compensation committee then reviewed the performance of Mr. Wendling and Ms. Wilm. Our compensation committee also considered the recommendation of Mr. Maffei, who recommended that our committee vest 100% of the Wendling 2019 RSUs and Wilm 2019 RSUs based on his assessment of their individual performance and his general observation of their leadership and executive performance. Accordingly, our compensation committee approved vesting of all of the Wendling 2019 RSUs and Wilm 2019 RSUs that had been previously granted.

The other equity awards held by certain of our named executive officers and reported below in "—Outstanding Equity Awards at Fiscal Year-End" (other than the stock options granted to Mr. Maffei in 2014 after the Spin-Off) were issued as a result of the anti-dilution adjustments applied to their outstanding equity awards relating to Qurate Retail's former Liberty Ventures common stock at the time of the completion of the Spin-Off, including their outstanding multi-year grants described below.

Prior to the Spin-Off, the Qurate Retail compensation committee determined to make larger grants that vest between four and five years after grant, rather than making annual grants over the same period. These multi-year stock option grants provide for back-end weighted vesting and generally expire seven to ten years after grant to encourage executives to remain with the company over the long-term and to better align their interests with those of the stockholders. In that regard, multi-year awards were granted to our executive officers prior to 2014, including to our named executive officers, and, accordingly, the multi-year awards were adjusted in connection with the Spin-Off pursuant to the anti-dilution provisions of the incentive plans under which they were granted.

Changes for 2020

Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement

As described above, in December 2019, Liberty Media entered into the 2019 Maffei Employment Agreement. The 2019 Maffei Employment Agreement provides for a five-year employment term commencing on January 1, 2020 and ending on December 31, 2024, with an annual base salary, annual cash performance bonus, initial cash commitment bonus, annual equity awards, upfront awards, perquisites and other benefits described in "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement" below. At the same time, our company entered into the amended services agreement. Under the amended services agreement, Liberty Media is responsible for paying or providing annual base salary, the initial commitment bonus, perquisites and other employee benefits, severance benefits and certain reimbursements directly to Mr. Maffei, and a portion of these expenses will be allocated to, and reimbursed by, our company. Additionally, beginning in 2020, our company has agreed to pay directly to Mr. Maffei the portion of the annual cash performance bonus that is allocated to our company and will grant directly to Mr. Maffei the portions of the annual equity awards and upfront awards that are allocated to our company. For a description of the terms of the 2019 Maffei Employment Agreement, please see "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement."

In the event that Mr. Maffei's services to our company are discontinued and Mr. Maffei remains employed by Liberty Media following such discontinuation (unless the discontinuation of Mr. Maffei's services to us is for cause (as defined in the 2019 Maffei Employment Agreement)), our company will be required to make a termination payment to Liberty Media pursuant to the amended services agreement representing the net present value of the portion of his compensation allocable to us, including the Maffei 2020 Term RSUs (defined below in "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement") if such award has not been granted prior to such date, from the date of the discontinuation of services to us through December 31 of the following calendar year. See "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement" for other payments and benefits that Mr. Maffei may receive in connection with the termination of his employment at Liberty Media or of his services at our company.

Prior to entering into the amended services agreement with Liberty Media, our compensation committee reviewed information from FW Cook with respect to CEO compensation packages at the comparable companies as described above. See "—Executive Compensation Arrangements—Gregory B. Maffei" for a description of the Maffei 2019 Term RSUs provided under the 2019 Maffei Employment Agreement.

Recoupment Provisions

In those instances where we grant equity-based incentive compensation, we expect to include in the related agreement with the executive a right, in favor of our company, to require the executive to repay or return to the company any cash, stock or other incentive compensation (including proceeds from the disposition of shares received upon exercise of options or stock appreciation rights). That right will arise if (1) a material restatement of any of our financial statements is required and (2) in the reasonable judgment of our compensation committee, (A) such restatement is due to material noncompliance with any financial reporting requirement under applicable securities laws and (B) such noncompliance is a result of misconduct on the part of the executive. In determining the amount of such repayment or return, our compensation committee may take into account, among other factors it deems relevant, the extent to which the market value of the applicable series of our common stock was affected by the errors giving rise to the restatement. The cash, stock or other compensation that we may require the executive to repay or return must have been received by the executive during the 12-month period beginning on the date of the first public issuance or the filing with the SEC, whichever occurs earlier, of the financial statement requiring restatement. The compensation required to be repaid or returned will include (1) cash or company stock received by the executive (A) upon the exercise during that 12-month period of any stock appreciation right held by the executive or (B) upon the payment during that 12-month period of any incentive compensation, the value of which is determined by reference to the value of company stock, and (2) any proceeds received by the executive from the disposition during that 12-month period of company stock received by the executive upon the exercise, vesting or payment during that 12-month period of any award of equity-based incentive compensation.

SUMMARY COMPENSATION TABLE

Name and Principal Position (as of 12/31/19)	Year	Salary ($)	Bonus ($)(1)	Stock Awards ($)(2)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Gregory B. Maffei	2019	—	250,000	2,813,547	170,196	—	—	—	3,233,743
Chairman of the Board, President and Chief	2018	—	—	—	—	—	—	—	—
Executive Officer	2017	—	—	—	—	—	—	—	—
Brian J. Wendling	2019	—	—	20,433	—	—	—	—	20,433
Senior Vice President and Chief Financial	2018	—	—	—	—	—	—	—	—
Officer	2017	—	—	—	—	—	—	—	—
Renee L. Wilm(4)	2019	—	—	9,368	148,230	—	—	—	157,598
Chief Legal Officer	2018	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2017	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(1) Represents only that portion of Mr. Maffei's cash commitment bonus allocated to our company under the amended services agreement in connection with the 2019 Maffei Employment Agreement as described in "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement."

(2) Reflects the grant date fair value of the Maffei 2019 Term RSUs granted to Mr. Maffei by our company in connection with the 2019 Maffei Employment Agreement as described in "—Executive Compensation Arrangements—Gregory B. Maffei—2019 Maffei Employment Agreement" and the grant date fair value of the 2019 Performance RSUs granted to our named executive officers during 2019 as described in "—Compensation Discussion and Analysis—Compensation Overview—Equity Incentive Compensation." The grant date fair value of these awards has been computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 11 to our consolidated financial statements for the year ended December 31, 2019 (which are included in our 2019 Form 10-K).

(3) The grant date fair values of the Maffei 2019 Options and Wilm 2019 Options have been computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 11 to our consolidated financial statements for the year ended December 31, 2019 (which are included in our 2019 Form 10-K).

(4) Ms. Wilm assumed the role of Chief Legal Officer of our company effective September 23, 2019.

EXECUTIVE COMPENSATION ARRANGEMENTS

Gregory B. Maffei

2014 and 2019 Option Grants

On December 21, 2014, Mr. Maffei received a one-time grant of 1,797,107 options to purchase shares of LTRPB at an exercise price of $27.83 per share (the **2014 Options**). One-half of the 2014 Options vested on the fourth anniversary of the grant date and the remaining 2014 Options vested on the fifth anniversary of the grant date. The 2014 Options have a term of ten years. Pursuant to the services agreement, prior to entering into the 2019 Maffei Employment Agreement and the amended services agreement, as an employee of Liberty Media, Mr. Maffei was not separately compensated by our company other than equity awards with respect to our common stock related to the services provided to our company. As described above in "Changes for 2020—Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement," in connection with the 2019 Maffei Employment Agreement and the amended services agreement, beginning in 2020, our company will also begin paying directly to Mr. Maffei the portion of the annual cash performance bonus that is allocated to our company in addition to granting directly to Mr. Maffei the portions of the annual equity awards and upfront awards that are allocated to our company.

In the event of a change in control prior to Mr. Maffei's termination, all of the 2014 Options will remain exercisable until the end of the term. If Mr. Maffei had been terminated for cause prior to December 31, 2019 (without a prior change in control occurring), then all vested 2014 Options would have expired on the 90th day following such termination. In all other events of termination or if Mr. Maffei had not been terminated prior to December 31, 2019, all vested 2014 Options would have expired at the end of the term. For information about equity awards granted to Mr. Maffei during 2019, see "—Compensation Discussion and Analysis—Equity Incentive Compensation."

On March 6, 2019, Mr. Maffei received a grant of 26,557 options to purchase shares of LTRPB at an exercise price of $14.28 per share. The options vested on December 31, 2019 and expire on March 6, 2026.

2019 Maffei Employment Agreement

As described above in “Changes for 2020—Amendment to Services Agreement in Connection with 2019 Maffei Employment Agreement,” Liberty Media entered into the 2019 Maffei Employment Agreement with Mr. Maffei, effective December 13, 2019. The arrangement provides for a five year employment term beginning January 1, 2020 and ending December 31, 2024, with an annual base salary of $3 million (with no contracted increase) and a one-time cash commitment bonus of $5 million, an annual target cash performance bonus equal to $17 million (with payment subject to the achievement of one or more performance metrics as determined by the applicable company’s compensation committee with respect to its allocable portion), upfront equity awards (with an aggregate grant date fair value of $90 million to be granted in two equal tranches) and annual equity awards with an aggregate target grant date fair value of $17.5 million.

Liberty Media paid Mr. Maffei his $5 million cash commitment bonus in 2019, and we were responsible for reimbursing Liberty Media for our allocable portion (currently 5.0%).

Our company’s portion of the first tranche of the upfront equity awards has an aggregate grant date fair value of $2,250,000 and consists of the Maffei 2019 Term RSUs. The Maffei 2019 Term RSUs vest on December 15, 2023, subject to Mr. Maffei’s continued employment, except as described below. The second tranche of the upfront equity awards will be granted on or before December 15, 2020, subject to Mr. Maffei’s continued employment on such date or the earlier occurrence of a termination of employment due to death, disability, by the issuing company without cause or by Mr. Maffei for good reason, and are expected to consist of time-vested restricted stock units with respect to LTRPB shares (the **Maffei 2020 Term RSUs**). The Maffei 2020 Term RSUs will vest on the fourth anniversary of the grant date, subject to Mr. Maffei’s continued employment, except as described below.

Termination Payments and Benefits

Mr. Maffei will be entitled to the following payments and benefits from Liberty Media (with Liberty Media being reimbursed by our company for its allocated portion of the severance benefits pursuant to the amended services agreement) if his employment is terminated at Liberty Media under the circumstances described below, subject to the execution of releases by Liberty Media and Mr. Maffei in a form to be mutually agreed. The following discussion also summarizes the termination payments and benefits that Mr. Maffei would be entitled to if his services are terminated at our company under the scenarios described below.

Termination by Liberty Media without Cause or by Mr. Maffei for Good Reason. If Mr. Maffei’s employment is terminated by Liberty Media without cause (as defined in the 2019 Maffei Employment Agreement) or if Mr. Maffei terminates his employment for good reason (as defined in the 2019 Maffei Employment Agreement) on or after January 1, 2020, he is entitled to the following: (i) his accrued base salary, any accrued but unpaid bonus for the prior completed year, any unpaid expense reimbursements and any amounts due under applicable law; (ii) a severance payment of two times his base salary during the year of his termination to be paid in equal installments over 24 months; (iii) fully vested shares with an aggregate grant date fair value of $35 million consisting of shares of the applicable series of common stock from Liberty Media, Qurate Retail, Liberty Broadband, GCI Liberty and us; (iv) full vesting of his upfront equity awards (including the grant and full vesting of the Maffei 2020 Term RSUs if the termination occurs before they have been granted) and full vesting of the annual equity awards for the year in which the termination occurs (including the grant and full vesting of such annual equity awards if the termination occurs before they have been granted); (v) lump sum cash payment of two times the average annual cash performance bonus paid for the two calendar years ending prior to the termination, but in no event less than two times his target annual cash performance bonus of $17 million, with (subject to certain exceptions) up to 25% of such amount payable in shares of the applicable series of common stock from Liberty Media, Qurate Retail, Liberty Broadband, GCI Liberty and us; (vi) a lump sum cash payment equal to the greater of (x) $17 million and (y) the annual cash performance bonus otherwise payable for the year of termination, in each case, prorated based on the number of days that have elapsed within the year of termination (including the date of termination), with (subject to certain exceptions) up to 25% of such amount payable in shares of the applicable series of common stock from Liberty Media, Qurate Retail, Liberty Broadband, GCI Liberty and us; and (vii) continued use for 12 months after such termination of certain services and perquisites provided by Liberty, including continued use of Liberty Media’s aircraft (collectively, the **severance benefits**).

Termination at our Company by our Company without Cause or by Mr. Maffei for Good Reason. In addition, if Mr. Maffei’s services at our company are terminated by us without cause (as defined in the 2019 Maffei Employment Agreement) or by Mr. Maffei for good reason (as defined in the 2019 Maffei Employment Agreement) after January 1, 2020, he will be entitled to full vesting of the upfront equity awards and the annual equity awards, in each case, granted by us for the year of his termination, and if Mr. Maffei remains employed by Liberty Media at or following the date of termination of his services to our company, he will also be entitled to payment of our allocated portion of the annual cash performance bonus for the year, prorated for the portion of the calendar year in which Mr. Maffei served as an officer of our company. Other than as described above, no severance benefits will be due to Mr. Maffei if he remains employed by Liberty Media at or following the date of termination of his services to our company.

Termination by Reason of Death or Disability. In the event of Mr. Maffei's death or disability, he will be entitled to the same payments and benefits as if his services to us had been terminated by us without cause or by Mr. Maffei for good reason.

For Cause Termination at our Company. In the event Mr. Maffei's services to our company are terminated by us for cause, he will forfeit any unvested portion of the upfront equity awards granted by us, and if the termination for cause occurs before December 31 of the relevant grant year, Mr. Maffei will forfeit our allocated portion of the annual cash performance bonus and all of the annual equity awards granted by our company for that grant year. If Mr. Maffei's services are terminated by our company (including for cause) after December 31 of the relevant grant year, but prior to the date on which our compensation committee certifies achievement of the performance metric for our performance-based restricted stock units for the grant year, the award will remain outstanding until such date and will vest to the extent determined by our compensation committee.

Voluntary Termination at our Company without Good Reason. If Mr. Maffei voluntarily terminates the services he provides to us without good reason, he will be entitled to pro rata vesting of the upfront equity awards granted by our company (based on the number of days that have elapsed from the grant date and a four-year vesting period). If such termination occurs on or after January 1, 2020, he will also be entitled to pro rata vesting of his annual equity awards for the year of termination granted by us (based on the elapsed number of days in the calendar year of termination) and a pro rata payment of our allocated portion of his annual cash performance bonus of $17 million (based upon the elapsed number of days in the calendar year of termination). Any performance-based restricted stock units for the year of termination that are unvested on the date of termination will remain outstanding until the performance criteria is determined and will vest pro rata (based upon the elapsed number of days in the calendar year of termination) to the extent determined by our compensation committee (at a level not less than 100% of the target award). Other than as described above, no severance benefits will be due to Mr. Maffei if he remains employed by Liberty Media at or following the date of termination of his services to us.

Equity Incentive Plans

The 2019 incentive plan is designed, and prior to its expiration, the Liberty TripAdvisor Holdings, Inc. 2014 Omnibus Incentive Plan (amended and restated March 11, 2015), as amended (the **2014 incentive plan**), was designed, to provide additional remuneration to eligible officers and employees of our company, our nonemployee directors and independent contractors and employees of Liberty Media or Qurate Retail providing services to us and to encourage their investment in our capital stock, thereby increasing their proprietary interest in our business. Non-qualified stock options, SARs, restricted shares, RSUs, cash awards, performance awards or any combination of the foregoing may be granted under the 2019 incentive plan (collectively, as used in this description of the 2019 incentive plan, **awards**). The maximum number of shares of our common stock with respect to which awards may be granted is 5,000,000 shares, subject to anti-dilution and other adjustment provisions of the 2019 incentive plan. No nonemployee director may be granted during any calendar year awards having a value (as determined on the grant date of such award) in excess of $3 million. Shares of our common stock issuable pursuant to awards will be made available from either authorized but unissued shares or shares that have been issued but reacquired by our company, including shares purchased on the open market. The 2019 incentive plan is administered by the compensation committee with regard to all awards granted under the 2019 incentive plan (other than awards granted to the nonemployee directors which may be administered by our full board of directors or the compensation committee), and the compensation committee has full power and authority to determine the terms and conditions of such awards. The 2019 incentive plan is the only incentive plan under which awards will be made.

In connection with the Spin-Off, new equity incentive awards with respect to our common stock (the **new Liberty TripAdvisor awards**) were issued in connection with adjustments made to outstanding equity incentive awards with respect to shares of Qurate Retail's former Liberty Ventures common stock which had been granted to various directors, officers and employees and consultants of Qurate Retail and certain of its subsidiaries pursuant to the various stock incentive plans administered by the Qurate Retail board of directors or the compensation committee thereof. These new Liberty TripAdvisor awards were issued pursuant to the Liberty TripAdvisor Holdings, Inc. Transitional Stock Adjustment Plan (the **transitional plan**), which governs the terms and conditions of the new Liberty TripAdvisor awards but cannot be used to make any additional grants following the Spin-Off.

Pay Ratio Information

We are providing the following information about the relationship of the median annual total compensation of our employees and the total compensation of Mr. Maffei, our chief executive officer on December 31, 2019, pursuant to the SEC's pay ratio disclosure rules set forth in Item 402(u) of Regulation S-K. We believe our pay ratio is a reasonable estimate calculated in a manner consistent with the SEC's pay ratio disclosure rules. However, because these rules provide flexibility in determining the methodology, assumptions and estimates used to determine pay ratios and the fact that workforce composition issues differ significantly between companies, our pay ratio may not be comparable to the pay ratios reported by other companies.

To identify our median employee, we first determined our employee population as of December 31, 2019, which consisted of employees located in the U.S., Europe and throughout the rest of the world, representing all full-time, part-time and temporary employees, including hourly employees, employed by our company and our consolidated subsidiary, Tripadvisor, on that date. Using information from our payroll records, we then measured each employee's annual total compensation for calendar year 2019, consisting of annualized base salary, short-term bonus at target and annual long-term equity incentive award at target. Tripadvisor annualized the compensation of approximately 1,131 full-time and part-time employees who were hired in 2019 but who did not work for the entire fiscal year. The earnings of Tripadvisor's employees outside the U.S. were converted to U.S. dollars using the currency exchange rates used for Tripadvisor's organizational planning purposes, which consider historic and forecasted rates as well as other factors. We did not make any cost-of-living or full-time equivalent adjustments.

Once we identified our median employee, we then determined that employee's total compensation, including any perquisites and other benefits, in the same manner that we determined the total compensation of our named executive officers for purposes of the Summary Compensation Table above. The ratio of our chief executive officer's total annual compensation to that of the median employee was as follows:

Chief Executive Officer Total Annual Compensation	$3,233,743
Median Employee Total Annual Compensation	$ 93,750
Ratio of Chief Executive Officer to Median Employee Total Annual Compensation	34:1

In connection with the execution of the 2019 Maffei Employment Agreement, Mr. Maffei received the Maffei 2019 Term RSUs. Our company's portion of the Maffei 2019 Term RSUs, granted in December 2019, had an aggregate grant date fair value of $2,314,012. Given that this grant was made outside of our normal, annual compensation practices, we have also included a ratio that eliminates from the total compensation the grant date fair value of our company's portion of the Maffei 2019 Term RSUs:

Chief Executive Officer Total Annual Compensation (without Maffei 2019 Term RSUs)	$919,731
Median Employee Total Annual Compensation	$ 93,750
Ratio of Chief Executive Officer to Median Employee Total Annual Compensation	10:1

GRANTS OF PLAN-BASED AWARDS

The following table contains information regarding plan-based incentive awards granted during the year ended December 31, 2019 to the named executive officers.

Name	Grant Date	Committee Action Date	Estimated Future Payouts under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards ($)
			Threshold (#)(1)	Target (#)(1)	Maximum (#)				
Gregory B. Maffei									
LTRPB	03/06/2019(2)		—	—	—	—	26,557(3)	14.28	170,196
LTRPB	03/06/2019(4)		—	35,253	—	—	—	—	499,535
LTRPB	12/15/2019	12/14/2019(5)	—	—	—	320,057(6)	—	—	2,314,012
Brian J. Wendling									
LTRPA	03/06/2019(4)		—	1,442	—	—	—	—	20,433
Renee L. Wilm									
LTRPA	11/11/2019	11/05/2019(7)	—	—	—	—	44,414(8)	7.07	148,230
LTRPA	11/11/2019	11/05/2019(7)	—	1,325	—	—	—	—	9,368

(1) The terms of each of the 2019 Performance RSUs do not provide for a threshold amount that would be payable upon satisfaction of the performance criteria established by the compensation committee. The amounts in the Target column represent the target amount that would have been payable to the award holder assuming our compensation committee determined not to reduce such payout after considering the performance of each named executive officer. For the actual 2019 Performance RSUs that vested, see "—Compensation Discussion and Analysis—Compensation Overview—Equity Incentive Compensation."

(2) Award granted under the 2014 incentive plan.

(3) Vested in full on December 31, 2019.

(4) Award granted under the 2014 incentive plan. Reflects the date on which our compensation committee established the terms of the Maffei 2019 RSUs and the Wendling 2019 RSUs as described under "—Compensation Discussion and Analysis—Compensation Overview—Equity Incentive Compensation."

(5) Award granted under the 2019 incentive plan. Reflects the date on which our compensation committee established the terms of the Maffei 2019 Term RSUs as described under "—Compensation Discussion and Analysis—Compensation Overview—Equity Incentive Compensation."

(6) Vests in full on December 15, 2023.

(7) Reflects the date on which our compensation committee established the terms of the Wilm 2019 Options and the Wilm 2019 RSUs as described under "—Compensation Discussion and Analysis—Compensation Overview—Equity Incentive Compensation."

(8) Vests 50% on September 23, 2022 and 50% on September 23, 2023.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table contains information regarding unexercised options and unvested RSUs which were outstanding as of December 31, 2019 and held by the named executive officers.

	Option awards					Stock Awards			
Name	Number of securities underlying unexercised options (#) Exercisable	Number of securities underlying unexercised options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option exercise price ($)	Option expiration date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Gregory B. Maffei									
Option Awards									
LTRPB	1,797,107	—	—	27.83	12/21/2024	—	—	—	—
LTRPB	26,557	—	—	14.28	3/06/2026	—	—	—	—
RSU Awards									
LTRPB	—	—	—	—	—	—	—	35,253(1)	255,584
LTRPB	—	—	—	—	—	320,057(2)	2,320,413	—	—
Brian J. Wendling									
Option Awards									
LTRPA	16,303	—	—	14.11	3/19/2020	—	—	—	—
RSU Awards									
LTRPA	—	—	—	—	—	—	—	1,442(1)	10,599
Renee L. Wilm									
Option Awards									
LTRPA	—	44,414(3)	—	7.07	11/11/2026	—	—	—	—
RSU Awards									
LTRPA	—	—	—	—	—	—	—	1,325(1)	9,739

(1) Represents the target number of Maffei 2019 RSUs, Wendling 2019 RSUs and Wilm 2019 RSUs that each of Mr. Maffei, Mr. Wendling and Ms. Wilm, respectively, could earn based on performance in 2019.

(2) Vests on December 15, 2023.

(3) Vests 50% on September 23, 2022 and 50% on September 23, 2023.

OPTION EXERCISES AND STOCK VESTED

Our named executive officers did not exercise any options to purchase shares of our common stock during 2019. In addition, none of our named executive officers held stock awards relating to our common stock that vested during 2019.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

The following table sets forth the potential payments to our named executive officers if their employment with our company had terminated or a change in control had occurred, in each case, as of December 31, 2019, which was the last business day of our last completed fiscal year. In the event of such a termination or change in control, the actual amounts may be different due to various factors. In addition, we may enter into new arrangements or modify these arrangements from time to time.

The amounts provided in the tables are based on the closing market prices on December 31, 2019 for our Series A common stock and Series B common stock, which were $7.35 and $7.25, respectively. The value of the RSUs shown in the table is based on the applicable closing market price and the number of unvested RSUs. The value of the options shown in the table is based on the spread between the exercise price of the award and the applicable closing price. Because the exercise price of each of the named executive officers' option awards, other than the Wilm

2019 Options, was more than the closing market price of our Series A common stock and Series B common stock on December 31, 2019, those option awards have been excluded from the table below.

The circumstances giving rise to these potential payments and a brief summary of the provisions governing their payout are described below and in the footnotes to the table (other than those described under "—Executive Compensation Arrangements," which are incorporated by reference herein):

Voluntary Termination

Mr. Wendling holds an option award that was issued under the transitional plan. The 2014 Options held by Mr. Maffei, the Maffei 2019 Options, the Maffei 2019 RSUs and the Wendling 2019 RSUs were issued under the 2014 incentive plan. The Maffei 2019 Term RSUs, Wilm 2019 Options and Wilm 2019 RSUs were issued under the 2019 incentive plan. Under these plans and the related award agreements, in the event of a voluntary termination of his or her employment with our company for any reason, each named executive officer would typically only have a right to the equity grants that vested prior to his or her termination date. However, if Mr. Maffei had voluntarily terminated his employment at December 31, 2019, (i) his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee and (ii) his Maffei 2019 Term RSUs would have been subject to pro rata vesting (based on the number of days elapsed during the four-year vesting period). Other than as described above, no severance benefits would have been due to Mr. Maffei upon a voluntary termination during 2019. Mr. Wendling and Ms. Wilm are not entitled to any severance payments or other benefits upon a voluntary termination of his or her respective employment for any reason. The foregoing discussion assumes that the named executive officers voluntarily terminated his or her respective employment without good reason. See "—Termination Without Cause or for Good Reason" below for a discussion of potential payments and benefits upon a named executive officer's voluntary termination of his employment for good reason.

Termination for Cause

All outstanding equity grants constituting options, whether unvested or vested but not yet exercised, and unvested RSUs under the existing incentive plans would typically be forfeited by any named executive officer (other than Mr. Maffei in the case of equity grants constituting vested options or similar rights) who is terminated for "cause." However, if Mr. Maffei's employment had been terminated for cause as of December 31, 2019, his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Unless there is a different definition in the applicable award agreement, each of the transitional plan, the 2014 incentive plan and the 2019 incentive plan define "cause" as insubordination, dishonesty, incompetence, moral turpitude, other misconduct of any kind and the refusal to perform duties and responsibilities for any reason other than illness or incapacity; provided that, if such termination is within 12 months after a change in control (as described below), "cause" means a felony conviction for fraud, misappropriation or embezzlement. With respect to Mr. Maffei's equity grants, including the 2014 Options, "cause," as defined in the applicable award agreement, means (i) Mr. Maffei's willful failure to follow the lawful instructions of the board of directors of our company; (ii) the commission by Mr. Maffei of any fraud, misappropriation or misconduct that causes demonstrable material injury to our company or its subsidiaries; (iii) Mr. Maffei's conviction of, or plea of guilty or nolo contendere to, a felony; or (iv) Mr. Maffei's failure to comply in any material respect with any written agreement between him and our company or any of our subsidiaries if such failure causes demonstrable material injury to our company or any of our subsidiaries, except that Mr. Maffei is entitled to certain procedural and cure rights relating to a termination for cause, except in the case of a termination for cause based on a felony conviction. Mr. Maffei has certain continuing rights under his award agreements, including for his 2014 Options, to exercise vested options following a termination for "cause." See "—Executive Compensation Arrangements."

Termination Without Cause or for Good Reason

As of December 31, 2019, Mr. Maffei's unvested equity awards consisted of the Maffei 2019 Term RSUs and the 2019 Maffei RSUs. The Maffei 2019 Term RSUs would have been forfeited upon a termination of his employment by our company without cause or by him for good reason as of December 31, 2019. If Mr. Maffei's employment had been terminated by our company without cause or by him for good reason as of December 31, 2019, his 2019 Maffei RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. Mr. Maffei would not have been entitled to any severance pay or other benefits from our company upon a termination without cause or for good reason, assuming a termination date as of December 31, 2019.

As of December 31, 2019, Mr. Wendling's only unvested equity awards were the Wendling 2019 RSUs and Ms. Wilm's only unvested equity awards were the Wilm 2019 Options and the Wilm 2019 RSUs. The 2019 Performance RSUs held by those officers would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee. The Wilm 2019 Options provide for vesting upon termination of employment without cause of those options that would have vested during the 12-month period following the termination date if she had remained an employee, plus a pro rata portion of the remaining unvested options based on the portion of the vesting period elapsed through the termination date. Neither Mr. Wendling nor Ms. Wilm is entitled to any severance pay or other benefits from our company upon a termination without cause or for good reason.

Death

In the event of death of any of the named executive officers as of December 31, 2019, the incentive plans and applicable award agreements would have provided for vesting in full of any outstanding options and unvested RSUs. See "Executive Compensation Arrangements" above. None of the named executive officers would have been entitled to any severance pay or other benefits from our company if he or she had died while employed by our company, assuming a termination date as of December 31, 2019.

Disability

If the employment of any of the named executive officers had been terminated as of December 31, 2019 due to disability, which is defined in the incentive plans or applicable award agreements, such plans or agreements provide for vesting in full of any outstanding options and unvested RSUs. See "Executive Compensation Arrangements" above. None of the named executive officers would have been entitled to any severance pay or other benefits from our company upon a termination due to disability, assuming a termination date as of December 31, 2019.

Change in Control

In case of a change in control, the incentive plans provide for vesting in full of any outstanding options and unvested RSUs (other than, in the case of a change of control as of December 31, 2019, the Maffei 2019 Term RSUs) held by the named executive officers. A change in control is generally defined as:

- The acquisition by a non-exempt person (as defined in the incentive plans) of beneficial ownership of at least 20% of the combined voting power of the then outstanding shares of our company ordinarily having the right to vote in the election of directors, other than pursuant to a transaction approved by our board of directors.
- The individuals constituting our board of directors over any two consecutive years cease to constitute at least a majority of the board, subject to certain exceptions that permit the board to approve new members by approval of at least two-thirds of the remaining directors.
- Any merger, consolidation or binding share exchange that causes the persons who were common stockholders of our company immediately prior thereto to lose their proportionate interest in the common stock or voting power of the successor or to have less than a majority of the combined voting power of the then outstanding shares ordinarily having the right to vote in the election of directors, the sale of substantially all of the assets of the company or the dissolution of the company.

In the case of a change in control described in the last bullet point, our compensation committee may determine not to accelerate the existing equity awards of the named executive officers if equivalent awards will be substituted for the existing awards. See "—Executive Compensation Arrangements—Gregory B. Maffei" above. For purposes of the tabular presentation below, we have assumed no such determination was made.

Benefits Payable Upon Termination or Change in Control

Name	Voluntary Termination Without Good Reason ($)	Termination for Cause ($)	Termination Without Cause or for Good Reason ($)	Death ($)	Disability ($)	After a Change in Control ($)
Gregory B. Maffei[1]						
RSUs	281,010[2]	255,584[3]	255,584[4]	2,575,998[5]	2,575,998[5]	255,584[6]
Total	281,010	255,584	255,584	2,575,998	2,575,998	255,584
Renee L. Wilm						
Options	—[7]	—[7]	4,292[4]	12,436[5]	12,436[5]	12,436[6]
RSUs	—[7]	—[7]	9,739[4]	9,739[5]	9,739[5]	9,739[6]
Total	—	—	14,031	22,175	22,175	22,175
Brian J. Wendling[1]						
RSUs	—[7]	—[7]	10,599[4]	10,599[5]	10,599[5]	10,599[6]
Total	—	—	10,599	10,599	10,599	10,599

(1) Because the exercise prices of Mr. Maffei's and Mr. Wendling's option awards were more than the closing market price of our Series A common stock or Series B common stock on December 31, 2019, such option awards have been excluded from the table. See the "Outstanding Equity Awards at Fiscal Year-End" table above.

(2) If Mr. Maffei's employment had been terminated without good reason as of December 31, 2019, his (i) Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee and (ii) his Maffei 2019 Term RSUs would have been subject to pro rata vesting in accordance with the terms of the award agreement.

(3) If Mr. Maffei's employment had been terminated for cause as of December 31, 2019, the Maffei 2019 Term RSUs would have been forfeited and his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee.

(4) Based on (i) the number of 2019 Performance RSUs held by the named executive officer at December 31, 2019, which would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee and (ii) the number of unvested Wilm Options that would have vested pursuant to the forward-vesting provisions in the related award agreement if Ms. Wilm had been terminated without cause. The Maffei 2019 Term RSUs would have been forfeited. See the "Outstanding Equity Awards at Fiscal Year-End" table above.

(5) Based on the number of options, whether vested or unvested but not yet exercised, and unvested RSUs held by the named executive officer as of December 31, 2019. Also, if Mr. Maffei's employment terminated due to death or disability as of December 31, 2019, his Maffei 2019 RSUs would have remained outstanding until any performance criteria had been determined to have been met or not and would have vested to the extent determined by the compensation committee.

(6) Upon a change in control, we have assumed for purposes of the tabular presentation above that the 2019 Performance RSUs and the Wilm 2019 Options would vest in full. See the "Outstanding Equity Awards at Fiscal Year-End" table above.

(7) Each of Mr. Wendling and Ms. Wilm would have forfeited any RSUs if his or her employment had been terminated without good reason or for cause as of December 31, 2019. Ms. Wilm would have forfeited her Wilm 2019 Options if her employment had been terminated by her without good reason or by the company for cause as of December 31, 2019.

DIRECTOR COMPENSATION

NONEMPLOYEE DIRECTORS

Director Fees

Each of our directors who is not an employee of, or service provider to, our company is paid an annual fee of $159,000 (which we refer to as the **director fee**) for 2020 ($156,000 for 2019), of which fee each director was permitted to elect to receive 50%, 75% or 100% of such director fee in RSUs or options to purchase LTRPA, which will vest one year from the grant date, with the remainder payable in cash. The awards issued to our directors with respect to their service on our board in 2019 were issued in December 2018. See "—Director RSU Grants" and "—Director Option Grants" below for information on the incentive awards granted in 2019 to the nonemployee directors with respect to service on our board in 2020. Fees for service on our audit committee, compensation committee, executive committee and nominating and corporate governance committee are the same for 2019 and 2020. With respect to our audit committee, compensation committee and nominating and corporate governance committee, each member thereof receives an additional annual fee of $15,000, $10,000 and $10,000, respectively, for his participation on each such committee, except that the chairman of each such committee instead receives an additional annual fee of $25,000, $15,000 and $15,000, respectively, for his participation on that committee. With respect to our executive committee, each member thereof who is not an employee of, or service provider to, our company receives an additional annual fee of $5,000 for his participation on that committee. The cash portion of the director fees and the fees for participation on committees are payable quarterly in arrears.

Equity Incentive Plans

As discussed above, awards granted to our nonemployee directors under the 2019 incentive plan are currently administered by our full board of directors. Our board of directors has full power and authority to grant eligible persons the awards described below and to determine the terms and conditions under which any awards are made. The 2019 incentive plan is designed to provide additional remuneration to our nonemployee directors and independent contractors, among others, and to encourage their investment in our capital stock, thereby increasing their proprietary interest in our business. Our board of directors may grant non-qualified stock options, SARs, restricted shares, RSUs, cash awards, performance awards or any combination of the foregoing under the 2019 incentive plan.

As described above, in connection with the Spin-Off, our company's board of directors adopted the transitional plan, which governs the terms and conditions of awards issued in the Spin-Off in connection with adjustments made to awards previously granted by Qurate Retail with respect to its former Liberty Ventures common stock.

Director RSU Grants

Pursuant to our director compensation policy described above and the 2019 incentive plan, on December 10, 2019, Messrs. Mueller and Wargo were granted RSUs with respect to 12,962 and 8,641 shares of LTRPA, respectively. These RSUs will vest on the first anniversary of the grant date, or on such earlier date that the grantee ceases to be a director because of death or disability and, unless our board of directors determines otherwise, will be forfeited if the grantee resigns or is removed from the board before the vesting date.

Director Option Grants

Pursuant to our director compensation policy described above and the 2019 incentive plan, on December 10, 2019, Mr. Malone was granted options to purchase 39,375 LTRPA shares and Messrs. Romrell and Wargo were each granted options to purchase 19,687 LTRPA shares, all of which had an exercise price equal to $7.26, which was the closing price of such stock on the grant date. The options will become exercisable on the first anniversary of the grant date, or on such earlier date that the grantee ceases to be a director because of death or disability, and, unless our board determines otherwise, will be terminated without becoming exercisable if the grantee resigns or is removed from the board before the vesting date. Once vested, the options will remain exercisable until the seventh anniversary of the grant date, or, if earlier, until the first business day following the first anniversary of the date the grantee ceases to be a director.

Stock Ownership Guidelines

In March 2016, our board of directors adopted stock ownership guidelines that require each nonemployee director to own shares of our company's stock equal to at least 1.5 times the value of the nonemployee director fee.

Nonemployee directors will have five years from the later of (i) the effective date of the guidelines and (ii) the nonemployee director's initial appointment to our board to comply with these guidelines.

DIRECTOR COMPENSATION TABLE

Name(1)	Fees Earned or Paid in Cash ($)	Stock Awards ($)(2)(3)	Option Awards ($)(2)(4)	All other compensation ($)	Total ($)
Michael J. Malone	35,000	—	134,719	—	169,719
Chris Mueller	69,000	94,104	—	—	163,104
Larry E. Romrell	103,000	—	67,358	—	170,358
J. David Wargo	40,000	62,734	67,358	—	170,092

(1) Gregory B. Maffei, the Chairman of the Board of our company and a named executive officer, received no compensation for serving as a director of our company during 2019. Albert E. Rosenthaler, who is Chief Corporate Development Officer of our company but not a named executive officer, received no compensation for serving as a director of our company during 2019. M. Gregory O'Hara was not a director of our company during 2019.

(2) As of December 31, 2019, our directors (other than Mr. Maffei, whose equity awards are listed in "Executive Compensation—Outstanding Equity Awards at Fiscal Year-End" above) held the following equity awards:

	Michael J. Malone	Chris Mueller	Larry E. Romrell	Albert E. Rosenthaler	J. David Wargo
Options (#)					
LTRPA	129,745	35,446	76,568	33,263	110,057
RSUs (#)					
LTRPA	—	12,962	—	3,290	8,641

(3) Reflects the grant date fair value of RSUs awarded to Mr. Mueller and Mr. Wargo, which has been computed based on the closing price of LTRPA shares on the grant date in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures.

(4) The aggregate grant date fair value of the stock option awards has been computed in accordance with FASB ASC Topic 718, but (pursuant to SEC regulations) without reduction for estimated forfeitures. For a description of the assumptions applied in these calculations, see Note 11 to our consolidated financial statements for the year ended December 31, 2019 (which are included in our 2019 Form 10-K).

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of December 31, 2019 with respect to shares of our common stock authorized for issuance under our equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders:			
Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan			4,505,516[(1)]
LTRPA	151,499	$ 7.20	
LTRPB	—	—	
Liberty TripAdvisor Holdings, Inc. 2014 Omnibus Incentive Plan (Amended and Restated as of March 11, 2015), as amended			—[(2)]
LTRPA	273,067	$16.09	
LTRPB	1,823,664	$27.63	
Equity compensation plans not approved by security holders:			
Liberty TripAdvisor Holdings, Inc. Transitional Stock Adjustment Plan, as amended[(3)]			—[(3)]
LTRPA	292,428	$14.72	
LTRPB	—	—	
Total			
LTRPA	716,994		
LTRPB	1,823,664		
			4,505,516

(1) The 2019 incentive plan permits grants of, or with respect to, shares of any series of our common stock, subject to a single aggregate limit.

(2) Upon adoption of the 2019 incentive plan, the board of directors ceased making any further grants under the 2014 incentive plan.

(3) The transitional plan was previously approved by our board of directors and our former parent company, Qurate Retail, as sole stockholder, in connection with the Spin-Off. The transitional plan governs the terms and conditions of awards with respect to our company's common stock that were granted in connection with adjustments made to awards granted by Qurate Retail with respect to its former Liberty Ventures common stock. As a result, no further grants are permitted under this plan.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Under our Code of Business Conduct and Ethics and Corporate Governance Guidelines, if a director or executive officer has an actual or potential conflict of interest (which includes being a party to a proposed "related party transaction" (as defined by Item 404 of Regulation S-K)), the director or executive officer should promptly inform the person designated by our board to address such actual or potential conflicts. No related party transaction may be effected by our company without the approval of the audit committee of our board or another independent body of our board designated to address such actual or potential conflicts.

INVESTMENT AGREEMENT

On March 26, 2020, pursuant to the Investment Agreement, dated as of March 15, 2020 (the **Investment Agreement**), among our company, Certares Holdings LLC, Certares Holdings (Blockable) LLC and Certares Holdings (Optional) LLC (collectively, **Assignor**) and solely for the purposes of certain provisions specified therein, Gregory B. Maffei, as assigned pursuant to the Assignment and Assumption Agreement, dated as of March 26, 2020, by and among the Assignor and Certares LTRIP LLC (the **Purchaser**, and together with Assignor, **Certares**), we issued and sold to the Purchaser 325,000 shares of Series A Preferred Stock, for a purchase price of $1,000 per share.

The Investment Agreement contains certain covenants of our company and Certares, including, among other things, a covenant that, subject to certain exceptions, Certares will not transfer, or agree to transfer, any of its shares of Series A Preferred Stock.

Board Matters. For so long as at least 25% of the original aggregate liquidation value of the Series A Preferred Stock remains outstanding (the **Threshold Amount**), the holders of a majority of the Series A Preferred Stock may appoint one director (the **Series A Preferred Threshold Director**) to our board of directors. Upon the closing, Mr. M. Gregory O'Hara, Founder and Senior Managing Director of Certares Management LLC, was appointed as the Series A Preferred Threshold Director and Vice Chairman of our board of directors.

Consent Rights. For so long as the Threshold Amount remains outstanding, we will not pay any dividends on or repurchase shares of our common stock without the prior written consent of the holders of a majority of the Series A Preferred Stock (subject to certain exceptions). In addition, for so long as the Purchaser beneficially owns a number of shares of Series A Preferred Stock with an aggregate liquidation value at least equal to the Threshold Amount, we are required to obtain the prior written consent of the holders of at least a majority of the Series A Preferred Stock prior to incurring certain indebtedness, issuing any stock which ranks on a parity basis with or senior to the Series A Preferred Stock, issuing LTRPB shares, subject to certain exceptions, entering into certain affiliate transactions and transferring shares of Tripadvisor Class B and TRIP.

Sales Process. If our board of directors approves the initiation of a sale process to effect a change in control of itself or the entry into negotiations with a third party for a change in control, and, at such time, the Purchaser beneficially owns a number of shares of Series A Preferred Stock with an aggregate liquidation value equal to at least the Threshold Amount, the Investment Agreement requires us to provide notice of such intent to the Purchaser, designate a nationally recognized investment bank to act as financial advisor, and provide the Purchaser the opportunity to participate as a potential buyer. In addition, if the Purchaser owns a number of shares of Series A Preferred Stock with an aggregate liquidation value equal to at least the Threshold Amount, subject to certain exceptions, the Purchaser is entitled to certain rights to match offers consisting of at least 90% of cash consideration to acquire our company or LTRPB shares owned by Mr. Maffei, as the case may be.

Consultation. For so long as the Purchaser owns shares of Series A Preferred Stock having a liquidation value equal to at least the Threshold Amount, the Purchaser is entitled to certain consultation rights with our company with respect to any matter on which we vote our shares of Tripadvisor equity and with Mr. Maffei with respect to any matter on which he votes his LTRPB shares.

Tripadvisor Board. The Investment Agreement also required our company, upon closing, to nominate an individual designated by the Purchaser to the board of directors of Tripadvisor for so long as (i) the Purchaser beneficially owns a number of shares with an aggregate liquidation value equal to at least the Threshold Amount and (ii) we have a right to nominate at least two directors to Tripadvisor's board of directors under the Governance Agreement among Tripadvisor, Qurate Retail and Barry Diller, dated as of December 20, 2011, as amended by the Assignment and Assumption of Governance Agreement among Tripadvisor, our company and Qurate Retail, dated August 12, 2014. On March 27, 2020, Mr. O'Hara was appointed to the board of directors of Tripadvisor.

The description of the Investment Agreement is qualified in its entirety by reference to the full text of the Investment Agreement, which is filed as Exhibit 4.1 to our Current Report on Form 8-K filed with the SEC March 16, 2020.

REGISTRATION RIGHTS AGREEMENT

Our company and the Purchaser entered into a Registration Rights Agreement at the closing of the sale of the Series A Preferred Stock under the Investment Agreement (the **Registration Rights Agreement**). Under the Registration Rights Agreement, the Purchaser is entitled to demand and piggyback registration rights with respect to the shares of Series A Preferred Stock and any shares of common stock of our company paid to satisfy our obligations under the Investment Agreement and the Certificate of Designations. The Purchaser will be entitled to four demand registration rights, subject to certain limitations, including that each demand must cover at least $15,000,000 in value of shares to be registered and that we will not be required to effect more than one underwritten shelf takedown during any 180 day period. We will pay the costs associated with such registrations (other than underwriting discounts, fees and commissions).

The description of the Registration Rights Agreement is qualified in its entirety by reference to the full text of the Registration Rights Agreement, which is filed as Exhibit 4.2 to our Current Report on Form 8-K filed with the SEC March 16, 2020

LETTER AGREEMENT WITH MR. MAFFEI

As described in more detail above under “Executive Compensation—Executive Compensation Arrangements—Gregory B. Maffei,” on December 21, 2014, Mr. Maffei received a one-time grant of the 2014 Options consisting of 1,797,107 options to purchase shares of LTRPB at an exercise price of $27.83 per share. Because of the significant voting power that Mr. Maffei would possess upon exercise of the 2014 Options, our board of directors determined that it would be appropriate to also grant Mr. Maffei approval for purposes of exempting him from the restrictions that may be imposed on him as an “interested stockholder” under Section 203 of the General Corporation Law of the State of Delaware (**Section 203**). Separately, Mr. Maffei advised our board that, although no agreement, arrangement or understanding had been reached, he was in discussions with Mr. Malone regarding a potential exchange of shares of LTRPB owned by the Malones (as defined below) for shares of LTRPA owned by Mr. Maffei. As a result, the compensation committee of our board and the members of our board independent of Mr. Maffei and the Malones determined that it was appropriate to request that Mr. Maffei enter into a standstill agreement with our company, and on December 21, 2014, we and Mr. Maffei entered into a letter agreement (the **Standstill Letter**). The Standstill Letter was entered into in connection with the grant of the 2014 Options to Mr. Maffei and in anticipation of such potential exchange. On December 22, 2014, Mr. Maffei acquired 2,770,173 shares of LTRPB in exchange for 3,047,190 shares of LTRPA pursuant to an exchange transaction pursuant to which he exchanged (the **Exchange**) an aggregate of 3,047,190 shares of LTRPA in a private transaction with John C. Malone, our Chairman at the time, Mr. Malone’s wife and two trusts (the **Trusts**) managed by an independent trustee, the beneficiaries of which are Mr. Malone’s adult children (Mr. Malone, his wife and the Trusts, the **Malones**), for an aggregate of 2,770,173 shares of LTRPB held by Mr. Malone, his wife and the Trusts. Prior to the grant of the 2014 Options and any agreement, arrangement or understanding between Mr. Maffei and Mr. Malone regarding the Exchange, the compensation committee of our board and the members of our board independent of Mr. Maffei and the Malones approved (x) each of Mr. Maffei and certain of his related persons as an “interested stockholder” and (y) the acquisition by such persons of shares of our common stock, in each case, for purposes of Section 203.

Subject to certain exceptions, during the Term (as defined below) of the Standstill Letter, Mr. Maffei had agreed that he would not, and he would not permit his Controlled Affiliates (as defined in the Standstill Letter) to, directly or indirectly, acquire Voting Securities (as such term is defined in the Standstill Letter) of our company if, after giving effect to such acquisition, Mr. Maffei and his Controlled Affiliates would beneficially own (as defined under the Exchange Act, but including all shares Mr. Maffei has the right to acquire without giving effect to any vesting requirements) in excess of 34.9% of our outstanding Voting Securities (the **Cap**); provided, that the Cap would not have prohibited, among other things, Mr. Maffei from acquiring or exercising the 2014 Options or acquiring shares of LTRPB pursuant to the Exchange. In the event Mr. Maffei or his Controlled Affiliates had beneficial ownership of Voting Securities of our company in excess of the Cap, subject to limited exceptions, Mr. Maffei would have voted such securities in excess of the Cap in the same proportion as the votes cast by stockholders unaffiliated with Mr. Maffei on any matter submitted to a vote of our stockholders.

Pursuant to the Standstill Letter, during the period commencing on December 21, 2014 and ending on December 21, 2019 (such period, the **Term**), our company was required to include Mr. Maffei (or his designee) in management’s slate of directors for election (the **Management Slate**) at each annual or special meeting of stockholders at which directors in Mr. Maffei's (or his designee's) class were to be elected. Our company was also required to use reasonable best efforts to cause the election of Mr. Maffei (or his designee) to our board of directors. So long as our company complied with our obligation to include Mr. Maffei (or his designee) on the Management Slate as provided in the Standstill Letter, Mr. Maffei had agreed to vote his shares of our common stock in favor of the Management Slate.

Pursuant to the Standstill Letter, Mr. Maffei has agreed, subject to certain exceptions, to certain customary standstill provisions. Such provisions prohibit Mr. Maffei and his Controlled Affiliates, unless expressly authorized by a majority of the members of our board who are independent, disinterested and unaffiliated with Mr. Maffei and his Controlled Affiliates, from: (i) effecting or seeking, offering or proposing (whether publicly or otherwise) to effect, or announcing any intention to effect or cause or participating in or assisting, facilitating or encouraging any other person to effect or seek, offer or propose (whether publicly or otherwise) to effect or participate in, (A) any acquisition of any equity securities (or beneficial ownership thereof) or rights or options to acquire any equity securities (or beneficial ownership thereof), of our company, (B) any tender or exchange offer, consolidation, business combination, acquisition, merger, joint venture or other business combination involving our company, (C) any recapitalization, restructuring, liquidation, dissolution or other extraordinary transaction with respect to our company or (D) any solicitation of proxies or consents relating to the election of directors with respect to our company; (ii) forming, joining or in any way participating in a "group" (as defined under Rule 13d-3 of the Exchange Act); (iii) depositing any Voting Securities in a voting trust or similar arrangement; (iv) granting any proxies with respect to any Voting Securities to any person (other than in his capacity as a designated representative of our company); (v) otherwise acting (alone or in concert with others), to call or seek to call a meeting of our stockholders, initiating any stockholder proposal or calling a special meeting of our board of directors; (vi) entering into any third-party discussions regarding the foregoing; (vii) publicly requesting a waiver or amendment of the foregoing, or making any public announcement regarding such restrictions; (viii) taking any action which would reasonably be expected to require our company to make a public announcement regarding the possibility of a business combination or merger; or (ix) advising, assisting or knowingly encouraging or directing any person to do so in connection with the foregoing. However, Mr. Maffei will not be deemed to have breached or violated these limitations to the extent such actions were taken in connection with his provision of services to our company as a member of our board of directors or as Chief Executive Officer of our company.

The standstill limitations cease to apply (i) if our company fails (subject to certain exceptions) to comply with our obligation to include Mr. Maffei (or his designee) on the Management Slate for election as a director (other than at Mr. Maffei's request or because of Mr. Maffei's refusal to accept such nomination), (ii) if Mr. Maffei ceases to serve as Chief Executive Officer of our company other than as a result of his resignation without Good Reason (as defined in the grant agreement related to the 2014 Options (the **Option Agreement**)), his Disability (as defined in the Option Agreement) or his termination for Cause (as defined in the Option Agreement), or (iii) if Mr. Maffei (or his designee) ceases to be a director of our company, other than (A) due to his refusal to serve as a director of our company or to propose a designee in his place, (B) due to his (or his designee's) resignation, (C) due to Mr. Maffei's election not to submit a replacement candidate for appointment or (D) during a period following Mr. Maffei's resignation so long as our company is working in good faith to appoint a replacement designee of Mr. Maffei. The standstill limitations also cease to apply upon the occurrence of certain events set forth in the Standstill Letter, including our company entering into discussions regarding a transaction that would, if consummated, be reasonably likely to result in a Change of Control (unless Mr. Maffei has been released from such restrictions to the extent reasonably necessary for him to fully participate in any discussions (in his capacity as a stockholder) and to offer or propose alternative transactions involving himself and his Controlled Affiliates and third parties) or a third party commences a tender or exchange offer for at least 50.1% of our common stock which would result in a Change of Control of our company and which offer is not opposed by our company.

The foregoing is a summary of the Standstill Letter and is qualified by reference to the full text of the Standstill Letter, which is incorporated by reference as Exhibit 7(a) to the Schedule 13D filed by Mr. Maffei with respect to our common stock on December 31, 2014.

STOCKHOLDER PROPOSALS

This proxy statement relates to our annual meeting of stockholders for the calendar year 2020 which will take place on May 19, 2020. Based solely on the date of our 2020 annual meeting and the date of this proxy statement, (i) a stockholder proposal must be submitted in writing to our Corporate Secretary and received at our executive offices at 12300 Liberty Boulevard, Englewood, Colorado 80112, by the close of business on December 16, 2020 in order to be eligible for inclusion in our proxy materials for the annual meeting of stockholders for the calendar year 2021 (the **2021 annual meeting**), and (ii) a stockholder proposal, or any nomination by stockholders of a person or persons for election to the board of directors, must be received at our executive offices at the foregoing address not earlier than February 18, 2021 and not later than March 22, 2021 to be considered for presentation at the 2021 annual meeting. We currently anticipate that the 2021 annual meeting will be held during the second quarter of 2021. If the 2021 annual meeting takes place more than 30 days before or 30 days after May 19, 2021 (the anniversary of the 2020 annual meeting), a stockholder proposal, or any nomination by stockholders of a person or persons for election to the board of directors, will instead be required to be received at our executive offices at the foregoing address not later than the close of business on the tenth day following the first day on which notice of the date of the 2021 annual meeting is communicated to stockholders or public disclosure of the date of the 2021 annual meeting is made, whichever occurs first, in order to be considered for presentation at the 2021 annual meeting.

All stockholder proposals for inclusion in our proxy materials will be subject to the requirements of the proxy rules adopted under the Exchange Act, our charter and bylaws and Delaware law.

ADDITIONAL INFORMATION

We file periodic reports, proxy materials and other information with the SEC. You may inspect such filings on the Internet website maintained by the SEC at *www.sec.gov*. Additional information can also be found on our website at *www.libertytripadvisorholdings.com*. (Information contained on any website referenced in this proxy statement is not incorporated by reference in this proxy statement.) **If you would like to receive a copy of our 2019 Form 10-K, any of the exhibits listed therein, the Investment Agreement, the Registration Rights Agreement or the Standstill Letter Agreement with Mr. Maffei, please call or submit a request in writing to Investor Relations, Liberty TripAdvisor Holdings, Inc., 12300 Liberty Boulevard, Englewood, Colorado 80112, Tel. No. (844) 826-8736, and we will provide you with the 2019 Form 10-K without charge, any of the exhibits listed therein upon the payment of a nominal fee (which fee will be limited to the expenses we incur in providing you with the requested exhibits) or the Investment Agreement, the Registration Rights Agreement or the Standstill Letter Agreement with Mr. Maffei without charge.**

FORM OF CERTIFICATE OF AMENDMENT OF RESTATED CERTIFICATE OF INCORPORATION OF LIBERTY TRIPADVISOR HOLDINGS, INC.

Liberty TripAdvisor Holdings, Inc., a corporation duly organized and validly existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), does hereby certify as follows:

FIRST: The Restated Certificate of Incorporation of the Corporation is hereby amended by deleting in its entirety the paragraph of Article IV thereof that is the penultimate paragraph of the paragraphs of such Article IV that precede the beginning of Section A of such Article IV, which penultimate paragraph provided for the prior reclassification of capital stock of the Corporation and begins with the language "Upon this Restated Certificate of Incorporation", and inserting the following in lieu thereof:

> "Upon this Certificate of Amendment of Restated Certificate of Incorporation of the Corporation (as the Restated Certificate of Incorporation of the Corporation may from time to time hereafter be amended or restated, this "Restated Certificate") becoming effective pursuant to the DGCL (the "Effective Time"), the shares of Series A Common Stock and Series B Common Stock issued and outstanding or held in treasury immediately prior to the Effective Time shall be reclassified and combined into a smaller number of shares of Series A Common Stock and Series B Common Stock, respectively, such that (i) each two (2) to twenty (20) shares of Series A Common Stock shall, at the Effective Time, be automatically reclassified and combined into one share of Series A Common Stock, and (ii) each two (2) to twenty (20) shares of Series B Common Stock shall, at the Effective Time, be automatically reclassified and combined into one share of Series B Common Stock, in each case, with the exact ratio within the foregoing range to be determined by the Board of Directors (or a committee thereof) and publicly announced by the Corporation prior to the Effective Time; provided that the ratio determined by the Board of Directors (or a committee thereof) shall be identical for both the Series A Common Stock and Series B Common Stock (the "Reclassification"). The par value of the Common Stock immediately following the Effective Time shall remain at $0.01 par value per share. Immediately following the Effective Time, any certificates representing the shares of Common Stock shall represent the number of whole shares of Common Stock into which such shares shall have been reclassified pursuant to the Reclassification. No fractional shares of Common Stock shall be issued as a result of the Reclassification. In lieu of any fractional shares to which a stockholder would otherwise be entitled as a result of the Reclassification, the Corporation shall pay to such stockholder cash equal to such fraction multiplied by the fair value of a share of the applicable series of Common Stock as determined in good faith by the Board of Directors (or a committee thereof) in accordance with the DGCL."

SECOND: The foregoing amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be signed by its authorized officer this ______ day of ______, 20 ___.

LIBERTY TRIPADVISOR HOLDINGS, INC.

By: ______________________
Name:
Title:

FORWARD LOOKING STATEMENTS

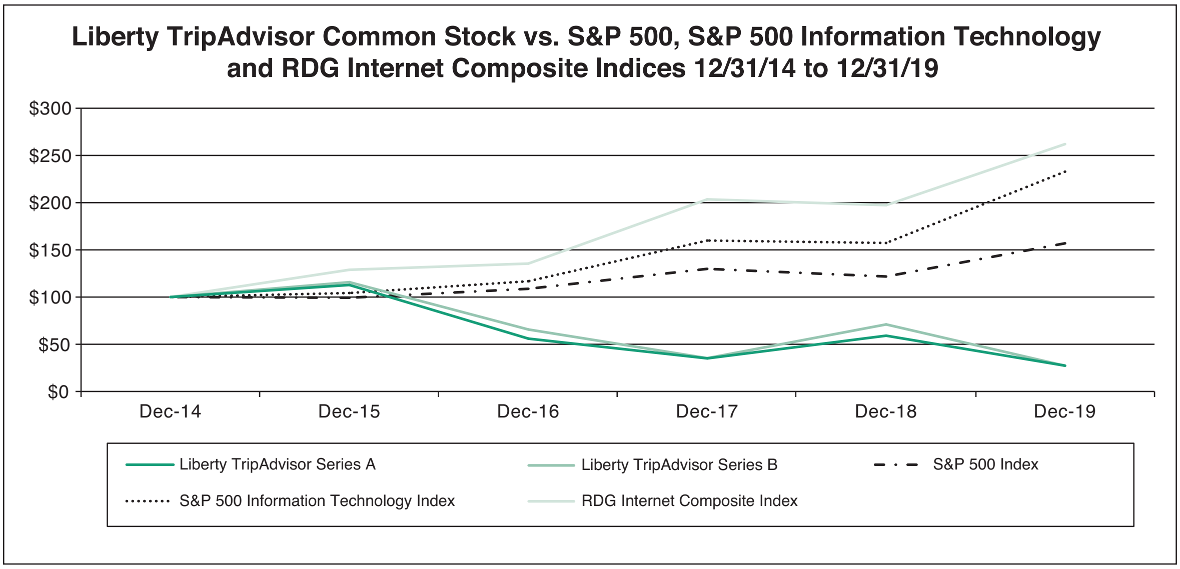
Certain statements in this Annual Report constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our business, product and marketing strategies; new product and service offerings; the recoverability of our goodwill and other long-lived assets; our projected sources and uses of cash; anticipated debt obligations; fluctuations in interest rates and foreign exchange rates; and the anticipated impact of certain contingent liabilities related to tax rates and other matters arising in the ordinary course of business. In particular, statements under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Quantitative and Qualitative Disclosures About Market Risk" contain forward-looking statements. Forward-looking statements inherently involve many risks and uncertainties that could cause actual results to differ materially from those projected in these statements. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but such statements necessarily involve risks and uncertainties, and there can be no assurance that the expectation or belief will result or be achieved or accomplished. The following include some but not all of the factors that could cause actual results or events to differ materially from those anticipated:

- our ability to obtain cash in amounts sufficient to service our obligations;
- our ability to obtain financing;
- the effects of any future indebtedness and the related agreements;
- impairments of intangible assets;
- Tripadvisor's ability to attract visitors to its websites and mobile apps and cost-effectively convert visitors into revenue-generating users;
- declines or disruptions in the economy in general or the travel industry in particular, including due to the novel coronavirus outbreak;
- the impact of changes in search engine algorithms and dynamics or search engine disintermediation;
- reductions in spending by advertisers or the loss of advertising partners;
- damage to Tripadvisor' brands;
- the ability of Tripadvisor to successfully compete in an increasingly competitive global environment;
- the ability of Tripadvisor to adapt to technological developments or industry trends;
- the retention and motivation of key personnel;
- the impact of acquisitions, investments, significant commercial arrangements and new business strategies on Tripadvisor's ongoing business;
- challenges associated with operating globally;
- claims, lawsuits, government investigations and other proceedings as well as changes to laws, rules and regulations and any resulting adverse outcomes;
- infringement on intellectual property rights by competitors or Tripadvisor;
- the occurrence of system security issues, data protection breaches, cyberattacks and system outage issues;
- fluctuations in foreign currency exchange rates;
- consumer spending levels, including the availability and amount of individual consumer debt; and
- threatened terrorist attacks, political unrest in international markets and ongoing military action around the world.

These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this Annual Report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based. When considering such forward-looking statements, you should keep in mind any risk factors identified and other cautionary statements contained in our publicly filed documents, including our most recent Forms 10-K and 10-Q. Such risk factors and statements describe circumstances which could cause actual results to differ materially from those contained in any forward-looking statement. This Annual Report includes information concerning Tripadvisor, a public company in which we have a controlling interest that files reports and other information with the SEC in accordance with the Securities Exchange Act of 1934, as amended. Information contained in this Annual Report concerning Tripadvisor has been derived from the reports and other information filed by it with the SEC. If you would like further information about Tripadvisor, the reports and other information it files with the SEC can be accessed on the Internet website maintained by the SEC at www.sec.gov. Those reports and other information are not incorporated by reference in this Annual Report.

STOCK PERFORMANCE

The following graph compares the percentage change in the cumulative total stockholder return on an investment in Liberty TripAdvisor Series A and Series B common stock from December 31, 2014 through December 31, 2019 to the S&P 500 Index, the S&P 500 Information Technology Index and the RDG Internet Composite Index. Going forward, it is expected that the Liberty TripAdvisor cumulative total stockholder return will be compared to only the RDG Internet Composite Index, as Liberty TripAdvisor believes it is a more relevant comparable index given the company's industry and companies that are similar to Liberty TripAdvisor.



	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019
Liberty TripAdvisor Series A	$100.00	$112.79	$ 55.95	$ 35.04	$ 59.07	$ 27.32
Liberty TripAdvisor Series B	$100.00	$115.74	$ 65.63	$ 35.25	$ 71.00	$ 27.19
S&P 500 Index	$100.00	$ 99.27	$108.74	$129.86	$121.76	$156.92
S&P 500 Information Technology Index	$100.00	$104.27	$116.76	$159.86	$157.28	$232.84
RDG Internet Composite Index	$100.00	$128.89	$135.45	$203.48	$197.34	$262.03

Note: Trading data for the Series B shares is limited as they are thinly traded.

FINANCIAL INFORMATION

Market for Registrant's Common Equity and Related Stockholder Matters of Equity Securities.

Market Information

Our Series A and Series B common stock trade on the Nasdaq Global Select Market under the symbols "LTRPA" and "LTRPB," respectively. Stock price information for securities traded on the Nasdaq Global Select Market can be found on the Nasdaq's website at www.nasdaq.com. The following table sets forth the range of high and low sales prices of shares of our Series B common stock for the years ended December 31, 2019 and 2018. Although our Series B common stock is traded on the Nasdaq Global Select Market, an established published trading market does not exist for the stock, as it is not actively traded.

		Liberty TripAdvisor Holdings, Inc. Series B	
		High	**Low**
2018			
First quarter	$	12.42	9.00
Second quarter	$	17.05	9.40
Third quarter	$	18.00	13.60
Fourth quarter	$	21.98	14.75
2019			
First quarter	$	18.29	14.35
Second quarter	$	14.71	12.44
Third quarter	$	12.92	9.17
Fourth quarter	$	9.71	6.72

Holders

As of January 31, 2020, there were approximately 838 and 44 record holders of our Series A and Series B common stock, respectively. The foregoing numbers of record holders do not include the number of stockholders whose shares are held nominally by banks, brokerage houses or other institutions, but include each such institution as one shareholder.

Dividends

We have not paid any cash dividends on our common stock, and we have no present intention of so doing. Payment of cash dividends, if any, in the future will be determined by our board of directors in light of our earnings, financial condition and other relevant considerations.

Securities Authorized for Issuance Under Equity Compensation Plans

Information required by this item is incorporated by reference to our definitive proxy statement for our 2020 Annual Meeting of stockholders.

Purchases of Equity Securities by the Issuer

There were no repurchases of our common stock during the three months ended December 31, 2019. 3,336 shares of our Series A common stock were surrendered by our officers and employees to pay withholding taxes and other deductions in connection with the vesting of their restricted stock during the three months ended December 31, 2019.

Selected Financial Data.

The following tables present selected historical information relating to our financial condition and results of operations for the past five years. Certain prior period amounts have been reclassified for comparability with current year presentation. The following data should be read in conjunction with our consolidated financial statements.

	December 31,				
	2019	2018	2017	2016	2015
Summary Balance Sheet Data:	amounts in millions				
Cash and cash equivalents	$ 341	672	695	654	644
Intangible assets not subject to amortization (1)	$ 3,507	3,709	3,717	5,476	5,492
Intangible assets subject to amortization, net	$ 277	311	382	487	625
Total assets	$ 4,726	5,224	5,484	7,282	7,285
Long-term debt	$ 353	267	704	555	620
Deferred income tax liabilities	$ 254	325	332	659	719
Total stockholders' equity	$ 320	336	424	803	808
Noncontrolling interest	$ 2,981	3,400	3,329	4,621	4,628

	Years ended December 31,				
	2019	2018	2017	2016	2015
Summary Statement of Operations Data:	amounts in millions, except per share amounts				
Revenue	$ 1,560	1,615	1,569	1,532	1,565
Impairment of intangible assets (1)	$ (288)	—	(1,798)	—	(2)
Operating income (loss)	$ (159)	128	(1,792)	23	15
Interest expense	$ (22)	(26)	(25)	(25)	(28)
Realized and unrealized gains (losses) on financial instruments, net	$ 36	(59)	24	53	2
Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders	$ (22)	(64)	(397)	21	(40)
Basic net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. stockholders per common share:					
Series A and Series B common stock	$ (0.29)	(0.86)	(5.29)	0.28	(0.53)
Diluted earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. stockholders per common share:					
Series A and Series B common stock	$ (0.29)	(0.86)	(5.29)	0.28	(0.53)

(1) During the year ended December 31, 2019, TripCo recorded $288 million of impairment losses related to trademarks that were initially recorded in conjunction with the acquisition of Tripadvisor. During the year ended December 31, 2017, TripCo recorded $1,798 million of impairment losses related to trademarks and goodwill (related to legacy hotels reporting unit) that were also initially recorded in conjunction with the acquisition of Tripadvisor.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information concerning our results of operations and financial condition. This discussion should be read in conjunction with our accompanying consolidated financial statements and the notes thereto.

See note 2 in the accompanying consolidated financial statements for an overview of new accounting standards that we have adopted or that we plan to adopt that have had or may have an impact on our financial statements.

Overview

Liberty TripAdvisor Holdings, Inc. ("TripCo" or the "Company") holds its subsidiary Tripadvisor, Inc. ("Tripadvisor") and held its former subsidiary, BuySeasons, Inc. ("BuySeasons") until BuySeasons was sold on June 30, 2017. As of December 31, 2019, TripCo held an approximate 23% equity interest and 58% voting interest in Tripadvisor.

The financial information represents the historical consolidated results of TripCo and its subsidiaries as discussed in note 1 in the accompanying consolidated financial statements. In the following discussion, TripCo and its subsidiaries are referred to as "TripCo," "the Company," "us," "we" and "our" in the notes to the consolidated financial statements. All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements.

Our "Corporate and Other" category includes our interest in BuySeasons, until its disposition on June 30, 2017, and corporate expenses.

Strategies and Challenges

Executive Summary

Results for TripCo are largely dependent upon the operating performance of Tripadvisor. Therefore, the executive summary below contains the strategies and challenges of Tripadvisor for an understanding of the business objectives of Tripadvisor.

Tripadvisor's Growth Strategy

Tripadvisor's growth strategy aims to increase revenue by deepening customer engagement on its platform by pursuing the following key strategies, including:

- continue building products that reduce friction throughout the travel planning and trip-taking journey and delight travelers;
- deepen consumer engagement with Tripadvisor's platform (including, but not limited to, membership growth, mobile app engagement and overall repeat usage);
- invest in technology to further improve customer and supplier experiences;
- deepen travel partner engagement with Tripadvisor's platform by expanding the number of products and services offered;
- invest in and grow certain categories where Tripadvisor leads the broader travel market today and/or can leverage unique assets, such as hotel business to business ("B2B") services, media advertising, experiences and restaurants;
- leverage Tripadvisor's technological and operational efficiencies; and
- opportunistically pursue strategic acquisitions.

Current Trends Affecting Tripadvisor's Business

The online travel industry is large and growing and remains highly dynamic and competitive. Tripadvisor's overall strategy is to deliver more value to consumers and travel partners in order to generate more monetization on its platform. While Tripadvisor operates with a long-term growth focus, its specific growth objectives and resource allocation strategies can differ in both duration and magnitude within the reportable segments. Descriptions of these dynamics, as well as other trends in Tripadvisor's business, are below.

Hotels, Media & Platform Segment

Tripadvisor operates the Hotels, Media & Platform segment by delivering consumers a holistic product experience and by offering travel partners a diversified number of advertising opportunities.

For consumers, Tripadvisor seeks to implement product enhancements that deliver a more engaging and comprehensive hotel shopping experience. This includes providing rich, immersive content – reviews, photos, videos and ratings, among other contributions – as well as increasing the number of travel partners and properties as well as the available hotel supply on its platform. Tripadvisor believes providing consumers tools to discover, research, price shop and book a comprehensive selection of accommodations, helps increase brand awareness and brand loyalty and, over time, can result in deeper consumer engagement, more qualified leads delivered to travel partners and greater monetization on its platform.

Tripadvisor seeks to monetize its influence and achieve revenue growth through hotel-related product improvements, supply and marketing efforts and customer advertising opportunities. Tripadvisor relies heavily on search engines, such as Google, to generate a significant amount of hotel shoppers to its websites, principally through search engine marketing, or SEM, as well as through search engine optimization, or SEO. Tripadvisor defines hotel shoppers as visitors who view either a listing of hotels in a city or on a specific hotel page. Given Tripadvisor's ongoing focus on Hotels, Media & Platform profitability, a key ongoing objective is to attract or acquire hotel shoppers at or above its desired marketing return on investment targets. To that end, starting in mid-2017, Tripadvisor began to reduce inefficient direct selling and marketing investments on paid online channels, primarily SEM, to improve profitability. This reduced the number of hotel shoppers to Tripadvisor's platform and reduced Tripadvisor-branded hotels revenue, specifically in hotel metasearch auction into 2019, while generating meaningful overall Hotels, Media & Platform segment profit growth and margin expansion, including year-over-year profit growth during both the years ended December 31, 2019 and December 31, 2018. Following moderate revenue growth resulting from SEO during 2018, Tripadvisor experienced revenue headwinds in this marketing channel in 2019 and expects this trend to continue, which it believes is impacted by search engines (primarily Google) increasing the prominence of their own hotel products in search results. Tripadvisor believes executing its long-term growth strategy can enable Tripadvisor to deepen customer engagement on its platform, monetize its influence and stabilize – and eventually grow – Hotels, Media & Platform segment revenue.

For example, in Tripadvisor-branded display and platform revenue, Tripadvisor enables travel partners to amplify their brand, generate brand impressions, and potentially drive qualified leads and bookings for their businesses. Historically, Tripadvisor has limited both the type and number of display-based advertising opportunities it makes available to travel partners, particularly on mobile phone, which, in turn, has limited display-based advertising revenue growth. However, Tripadvisor is working on initiatives to better leverage its audience, content, data, travel influence and platform breadth to open up new media advertising opportunities through a more modern, high-powered advertising suite spanning native, video and programmatic solutions. Tripadvisor also intends to deliver this broadened solution to a larger set of advertising travel endemic and non-travel endemic advertising partners, including industries such as airlines, finance and beauty.

In addition, Tripadvisor is focused on initiatives to increase its traffic quality and deepen customer engagement on its platform, including membership growth, personalization, and mobile app initiatives Tripadvisor believes can lead to increased monetization over time in this segment. For example, there remains not only an opportunity to continue to grow its member base, but also to deepen member engagement by making membership more valued, through building communities and leveraging content to further personalize trip-planning features.

Experiences & Dining Segment

During 2019, Tripadvisor's Experiences & Dining segment growth strategy prioritized near-term investments for platform expansion and bookings and revenue growth. Tripadvisor has increased investments in product, supply and marketing to enhance its long-term growth prospects. Tripadvisor has done this by, for example, growing bookable supply in newer experience categories in lower-priced options, such as events, tickets, and other experiences, and also non-English markets and mobile offerings. These categories have grown rapidly and added to Tripadvisor's total bookable experience products, which reached approximately 345,000 as of December 31, 2019. Tripadvisor believes offering consumers more selection can contribute to its goals to build deeper, more durable consumer relationships with its platform.

Tripadvisor also continues to seek selective acquisition opportunities in this segment. For example, in December 2019, Tripadvisor acquired U.K.-based Bookatable, which offers an online restaurant reservation and booking platform. This further strengthens Tripadvisor's position in certain of its existing European markets as well as expands it into new countries, such as the U.K., Germany, Austria, Finland and Norway. Once fully integrated, Bookatable should add approximately 14,000 more restaurants to TheFork's online restaurant booking platform, which, including Booktable, had approximately 84,000 total bookable restaurants, as of December 31, 2019.

Over the long-term, Tripadvisor's Experiences and Dining offerings enable Tripadvisor to deliver consumers a more comprehensive experience, which Tripadvisor believes will increase awareness of, loyalty to, and engagement with its products, drive more bookings to Experiences and Dining partners and generate greater revenue and increased profitability on its platform. Given the significant market opportunities in these large and growing categories, as well as competition aiming to provide consumers a similar multimodal experience, Tripadvisor expects to continue to invest to drive bookings and revenue growth.

Corporate and other

Corporate and other is a combination of Rentals, Flights/Cruises/Car, SmarterTravel, and Tripadvisor China business units. In 2019, Tripadvisor contributed a portion of its business in China, including a long-term exclusive brand and content license and other assets, to form a new entity with Ctrip Investment Holding Ltd., in return for a 40% equity ownership interest. This investment is being accounted for as an equity method investment.

Profits have been relatively stable to positive and revenue has declined in recent periods primarily due to strategic re-alignments and resource re-allocation to other areas of business. Tripadvisor operates these offerings opportunistically as they complement its overall strategic objectives to deliver more value to consumers and travel partners.

Results of Operations—Consolidated

General. We provide in the tables below information regarding our historical Consolidated Operating Results and Other Income and Expense, as well as information regarding the contribution to those items from our reportable segments.

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Revenue			
Hotels, Media & Platform	$ 939	1,001	1,022
Experiences & Dining	456	372	264
Corporate and other	165	242	283
Total revenue	1,560	1,615	1,569
Operating expense, excluding stock-based compensation	332	309	289
SG&A, excluding stock-based compensation	799	895	958
Stock-based compensation	131	123	103
Depreciation and amortization	169	160	213
Impairment of intangible assets	288	—	1,798
Operating income	(159)	128	(1,792)
Other income (expense):			
Interest expense	(22)	(26)	(25)
Realized and unrealized gains (losses) on financial instruments, net	36	(59)	24
Other, net	13	5	(17)
	27	(80)	(18)
Earnings (loss) before income taxes	(132)	48	(1,810)
Income tax (expense) benefit	16	(57)	229
Net earnings (loss)	$ (116)	(9)	(1,581)
Adjusted OIBDA	$ 430	416	322

Revenue. Tripadvisor's Hotels, Media & Platform revenue decreased by $62 million and $21 million for the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. Tripadvisor's Hotels, Media & Platform segment has two revenue sources, as described below: (1) Tripadvisor-branded hotels, which includes Hotel auction and B2B revenue; and (2) Tripadvisor-branded display and platform. The decreases in Hotels, Media & Platform revenue are detailed as follows:

	Years ended December 31,		
	2019	2018	2017
Tripadvisor-branded hotels	$ 779	848	866
Tripadvisor-branded display and platform	160	153	156
Total Hotels, Media & Platform	$ 939	1,001	1,022

Tripadvisor-branded hotels revenue primarily includes hotel metasearch auction revenue, and to a lesser extent, hotel B2B revenue, which includes click-based revenue generated from hotel sponsored placements that enable hotels to enhance their visibility on Tripadvisor hotel pages, and subscription-based advertising services that Tripadvisor offers to travel partners. For the years ended December 31, 2019, 2018 and 2017, 83%, 85% and 85%, respectively, of Tripadvisor's total Hotels, Media & Platform segment revenue was derived from Tripadvisor-branded hotels revenue. Tripadvisor-branded hotels revenue decreased $69 million or 8% during the year ended December 31, 2019 when compared to the same period in 2018. This decrease was due to factors impacting Tripadvisor's hotel metasearch auction revenue, primarily reduced revenue generated through its SEO marketing channel, which Tripadvisor believes is impacted by search engines (primarily Google) increasing the prominence of their own hotel products in search results. Tripadvisor-branded hotels revenue was also impacted by its progressive optimizations in SEM and other online paid traffic acquisition spend, and to a lesser extent, the general trend of an increasing percentage of hotel shoppers visiting via mobile phones which monetize at a significantly lower rate than hotel shoppers visiting via desktop or tablet. Declines in Tripadvisor-branded hotels was partially offset, to a lesser extent, by growth in hotel sponsored placements revenue.

Tripadvisor-branded hotels revenue decreased $18 million or 2% during the year ended December 31, 2018 when compared to the same period in 2017. This decrease was primarily due to factors impacting Tripadvisor's hotel metasearch auction revenue including travel partners bidding lower CPCs in its hotel metasearch auction during the second half of 2017, which created difficult year-over-year comparisons during the first half of 2018. The decrease in revenue can also be attributed to a significant reduction of Tripadvisor's direct marketing spend on its least-profitable paid online marketing campaigns as part of its progressive optimizations in SEM and other online paid traffic acquisition spend, as well as a greater percentage of hotel shoppers visiting Tripadvisor-branded websites and apps on mobile phones. The decline in Tripadvisor-branded hotels revenue was partially offset, to a lesser extent, by growth in its hotel sponsored placements revenue and product enhancements focused on increasing traffic quality.

For the years ended December 31, 2019, 2018, and 2017, 17%, 15%, and 15%, respectively, of total Hotels, Media & Platform segment revenue was derived from Tripadvisor-branded display and platform revenue. Tripadvisor-branded display and platform revenue increased $7 million or 5% during the year ended December 31, 2019, when compared to the same period in 2018, primarily due to an increase in pricing, and to a lesser extent, new initiatives launched in the later part of 2019. Tripadvisor-branded display and platform revenue decreased $3 million or 2% during the year ended December 31, 2018, when compared to the same period in 2017, primarily due to a general trend of an increasing percentage of traffic visiting Tripadvisor's websites on mobile phones, which yielded smaller impression opportunities due to the smaller screen size.

For the years ended December 31, 2019, 2018 and 2017, Experiences & Dining segment revenue accounted for 29%, 23% and 17%, respectively, of total consolidated revenue. Experiences & Dining segment revenue increased by $84 million or 23% during the year ended December 31, 2019 when compared to the same period in 2018, primarily driven by growth in both Experiences and Dining bookings, including increased bookings and revenue from Tripadvisor websites, partially offset by adverse changes in foreign currency, which Tripadvisor estimates negatively impacted Experiences & Dining revenue by 4%. Experiences & Dining segment revenue increased by $108 million or 41% during the year ended

December 31, 2018, when compared to the same period in 2017, primarily driven by growth in both Experiences and Restaurants bookings, including increased bookings and revenue from Tripadvisor websites.

Experiences revenue growth during the years ended December 31, 2019 and 2018, when compared to the same periods in 2018 and 2017, respectively, was primarily driven by growth in consumer demand, mobile reservations, and bookable supply on Tripadvisor's platform contributing to overall bookings growth, as consumers are offered a greater selection of travel experiences, which Tripadvisor believes was supported by platform improvements for both consumers and suppliers and expansion. Dining revenue growth during the years ended December 31, 2019 and 2018, when compared to the same period in 2018 and 2017, respectively, was primarily driven by growth in the following: seated diners, bookable supply of restaurant listings, mobile reservations, dining sponsored placement revenue and subscription service revenue, as well as, to a lesser extent, incremental revenue related to 2019 acquisitions.

Corporate and other revenue, which primarily includes click-based advertising and display-based advertising revenue from rentals, and flights, cruises and car offerings on Tripadvisor and non-Tripadvisor branded websites, such as www.smartertravel.com, www.bookingbuddy.com, www.cruisecritic.com and www.onetime.com, decreased by $77 million or 32%, and $41 million or 14% during the years ended December 31, 2019 and 2018, respectively, when compared to the same periods in 2018 and 2017. This was primarily driven by the elimination of some marginal and unprofitable revenue within these offerings near the end of 2018, as well as strategic resource re-allocation of investment across other areas of Tripadvisor's business and continued competition in the rentals offering.

Operating Expense. The most significant drivers of operating expense are technology and content costs, which increased by $15 million during the year ended December 31, 2019 when compared to the same period in 2018, primarily due to additional headcount in the Experiences & Dining segment to support business growth, partially offset by a decrease of personnel and overhead costs in Corporate and other as a result of strategic personnel re-allocation across the business. Technology and content costs increased by $21 million during the year ended December 31, 2018, when compared to the same period in 2017, primarily due to increased personnel and overhead costs, primarily as a result of an increase to headcount to support the business growth in Tripadvisor's Experiences & Dining businesses, as well as an increase in software and other professional licensing costs.

Selling, general and administrative. The most significant driver of selling, general and administrative expense is selling and marketing expenses. These include direct costs, including traffic generation costs from SEM and other online traffic acquisition costs, syndication costs and affiliate program commissions, social media costs, brand advertising (including television and other offline advertising), promotions and public relations. In addition, indirect sales and marketing expense consists of personnel and overhead expenses, including salaries, commissions, benefits, bonuses for sales, sales support, customer support and marketing employees.

Total selling and marketing costs decreased $108 million during the year ended December 31, 2019 when compared to the same period in 2018, primarily due to an overall decrease in SEM and other online traffic acquisition costs, as well as lower television advertising costs, driven by the Hotels, Media & Platform segment and Corporate and other. This decrease was partially offset by an increase in similar marketing expenditures in the Experiences & Dining segment and increased personnel and overhead costs related to additional headcount in the Experiences & Dining segment to support business growth.

Total selling and marketing costs decreased $71 million during the year ended December 31, 2018 when compared to the same period in 2017, primarily due to decreased SEM and online traffic acquisition costs in Tripadvisor's Hotels, Media & Platform businesses, partially offset by an increase in its television advertising campaign spend of $40 million during the year ended December 31, 2018, and by an increase in online and offline advertising costs in its Experiences & Dining businesses during the year ended December 31, 2018, when compared to the same period in 2017, as well as increased personnel and overhead costs due to an increase in headcount to support business growth.

Stock-based compensation. Stock based compensation increased $8 million and $20 million for the years ended December 31, 2019 and 2018, respectively, when compared to the same period in the prior year due to continued grants of stock options.

Depreciation and amortization. Depreciation and amortization increased $9 million during the year ended December 31, 2019 when compared to the same period in 2018, primarily due to incremental amortization for the right-of-use asset related to Tripadvisor's headquarters lease in Needham, Massachusetts (Tripadvisor's "Headquarters Lease") recorded upon adoption of ASC 842 and to a lesser extent increased amortization related to capitalized software and website development costs.

Depreciation and amortization decreased $53 million during the year ended December 31, 2018 when compared to the same period in 2017, due to the decrease in amortization expense associated with certain intangible assets that were fully amortized in 2017.

Impairment of intangible assets. Due to deteriorations in revenue, impairment losses of $288 million and $527 million were recorded during the years ended December 31, 2019 and December 31, 2017, respectively, related to trademarks. The trademarks were related to the hotels, media & platform reporting unit in 2019 and the legacy hotels reporting unit in 2017, which is now included in the hotels, media & platform reporting unit. Due to certain marketplace factors impacting Tripadvisor's operating results, which led to a decline in Tripadvisor's stock price, an impairment loss of $1,271 million was recorded during the year ended December 31, 2017 related to goodwill, related to the legacy hotels reporting unit, which is now included in the hotels, media & platform reporting unit.

Operating Income (Loss). Our consolidated operating income (loss) declined $287 million and improved $1,920 million for the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. Operating income was impacted by the above explanations.

Adjusted OIBDA. To provide investors with additional information regarding our financial results, we also disclose Adjusted OIBDA, which is a non-GAAP financial measure. We define Adjusted OIBDA as Operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, restructuring, acquisition and other related costs and impairment charges. Our chief operating decision maker and management team use this measure of performance in conjunction with other measures to evaluate our business and make decisions about our resources. We believe this is an important indicator of the operational strength and performance of our businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows us to view operating results, perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with U.S. generally accepted accounting principles. The following table provides a reconciliation of Operating income (loss) to Adjusted OIBDA:

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Operating income (loss)	$ (159)	128	(1,792)
Depreciation and amortization	169	160	213
Stock-based compensation	131	123	103
Impairment of intangible assets	288	—	1,798
Restructuring and other related reorganization costs	1	—	—
Legal settlement	—	5	—
Adjusted OIBDA	$ 430	416	322

Adjusted OIBDA is summarized as follows:

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Adjusted OIBDA			
Hotels, Media & Platform	$ 378	329	267
Experiences & Dining	5	48	23
Corporate and other	47	39	32
Consolidated TripCo	$ 430	416	322

Consolidated Adjusted OIBDA increased $14 million and $94 million for the years ended December 31, 2019 and 2018, respectively, as compared to the corresponding prior year periods. Hotels, Media & Platform Adjusted OIBDA increased $49 million for the year ended December 31, 2019 when compared to the same period in 2018, primarily due to reduced direct selling and marketing expenses related to SEM and other online paid traffic acquisition channels, and television advertising, which more than offset the decrease in revenue. Hotels, Media & Platform Adjusted OIBDA increased $62 million for the year ended December 31, 2018 when compared to the same period in 2017, primarily due to a decrease in direct selling and marketing expenses related to SEM and other online paid traffic acquisition costs as Tripadvisor continued to optimize and improve its marketing efficiency from its online marketing campaigns, which more than offset the decrease in revenue.

Experiences & Dining Adjusted OIBDA decreased $43 million during the year ended December 31, 2019 when compared to the same period in 2018, primarily due to increased people costs to drive product and supply investments, as well as increased marketing investments to fund long-term growth initiatives, partially offset by an increase in revenue, as noted above. Experiences & Dining Adjusted OIBDA increased $25 million during the year ended December 31, 2018 when compared to the same period in 2017, primarily due to an increase in revenue, as noted above, partially offset by increased people costs to drive product and supply investments and increased marketing investments to fund long-term growth initiatives.

Corporate and other Adjusted OIBDA increased $8 million and $7 million during the years ended December 31, 2019 and 2018, when compared to the same periods in 2018 and 2017, respectively, primarily due to reduced costs related to marketing and operational re-alignments, primarily offset by a decrease in revenue, as described above. Corporate and other Adjusted OIBDA also includes $8 million, $5 million and $6 million of TripCo level selling, general and administrative expenses for the years ended December 31, 2019, 2018 and 2017, respectively.

Other Income and Expense

Components of Other Income (Expense) are presented in the table below.

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Interest expense			
Tripadvisor	$ (7)	(12)	(15)
Corporate and other	(15)	(14)	(10)
Consolidated TripCo	$ (22)	(26)	(25)
Realized and unrealized gains (losses) on financial instruments, net			
Tripadvisor	$ 1	(3)	(1)
Corporate and other	35	(56)	25
Consolidated TripCo	$ 36	(59)	24
Other, net			
Tripadvisor	$ 13	5	2
Corporate and other	—	—	(19)
Consolidated TripCo	$ 13	5	(17)

Interest expense. Interest expense decreased $4 million during the year ended December 31, 2019, when compared to the same period in 2018, primarily due to lower finance costs related to Tripadvisor's Headquarters Lease under ASC 842 and no outstanding borrowings on Tripadvisor's 2015 Credit Facility (as defined in note 7 in the accompanying consolidated financial statements). These decreases at Tripadvisor were partially offset by increased corporate interest expense due to higher outstanding borrowings under the margin loan agreement entered into by TripCo's bankruptcy remote wholly-owned subsidiary (the "Margin Loan") for the year ended December 31, 2019. Interest expense increased $1 million during the year ended December 31, 2018, when compared to the same period in 2017, related to higher average outstanding borrowings and effective interest rates on corporate debt during 2018, partially offset by no outstanding borrowings on Tripadvisor's debt during the year ended December 31, 2018.

Realized and unrealized gains (losses) on financial instruments, net. Realized and unrealized gains (losses) on financial instruments, net is primarily comprised of the change in the fair value of the variable postpaid forward (the "VPF") as described in notes 5 and 7 in the accompanying consolidated financial statements. TripCo unwound the VPF during the fourth quarter of 2019.

Other, net. The primary components of other, net are income and interest earned on money market funds and marketable securities offset by net foreign exchange losses. Other, net also includes a loss on disposition of $18 million during the year ended December 31, 2017 resulting from the sale of BuySeasons on June 30, 2017. Other, net income increased $8 million for the year ended December 31, 2019, when compared to the same period in 2018, primarily due to an increase in interest income earned from Tripadvisor's money market funds and other investments due to increased average interest rates and increased average invested funds during 2019. Other, net income increased $22 million for the year ended December 31, 2018, when compared to the same period in 2017, primarily due to no dispositions in 2018, as well as transactions gains and losses at Tripadvisor as a result of the fluctuation of foreign exchanges rates.

Income taxes. The Company had income tax benefits of $16, income tax expenses of $57 million, and income tax benefits of $229 million for the years ended December 31, 2019, 2018 and 2017, respectively.

During 2019, the Company recognized additional tax expense for changes in unrecognized tax benefits and dividends from Tripadvisor not recognized for book purposes, net of a dividends received deduction. These expense items were partially offset by a net income tax benefit from earnings in foreign jurisdictions taxed at rates other than the 21% United States ("U.S.") federal tax rate and federal income tax credits.

During 2018, the Company recognized additional tax expense related to the recognition of deferred tax liabilities for basis differences in the stock of a consolidated subsidiary and changes in unrecognized tax benefits. These expense items were partially offset by a net income tax benefit from earnings in foreign jurisdictions taxed at rates other than the 21% U.S. federal tax rate.

The Company recorded a discrete net tax benefit in the period ending December 31, 2017. This net benefit primarily consists of a net benefit for the corporate rate reduction, offset partially by a net tax expense related to a transition tax on the deemed repatriation of foreign earnings. In addition, the Company recognized an impairment loss on its goodwill that is not deductible for tax purposes.

Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders. We had net losses attributable to Liberty TripAdvisor Holdings, Inc. shareholders of $22 million, $64 million and $397 million for the years ended December 31, 2019, 2018 and 2017, respectively. The changes in net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders were the result of the above-described fluctuations in our revenue, expenses and other gains and losses.

Liquidity and Capital Resources

As of December 31, 2019, substantially all of our cash and cash equivalents consist of cash on hand in global financial institutions, money market funds and marketable securities, with maturities of 90 days or less at the date purchased.

The following are potential sources of liquidity: available cash balances, proceeds from asset sales, monetization of our investments, outstanding or anticipated debt facilities, debt and equity issuances, and dividend and interest receipts.

As of December 31, 2019, TripCo had a cash balance of $341 million. Approximately $319 million of the cash balance is held at Tripadvisor. Although TripCo has a 58% voting interest in Tripadvisor, Tripadvisor is a separate public company with a significant non-controlling interest, as TripCo has only a 23% equity interest in Tripadvisor. Even though TripCo controls Tripadvisor through its voting interest and board representation, decision making with respect to using Tripadvisor's cash balances must consider Tripadvisor's minority holders. Accordingly, any potential distributions of cash from Tripadvisor to TripCo would generally be on a pro rata basis based on economic ownership interests. Covenants in Tripadvisor's debt instruments also restrict the payment of dividends and cash distributions to stockholders. See note 7 in the accompanying consolidated financial statements.

As of December 31, 2019, approximately $151 million of TripCo cash is held by Tripadvisor foreign subsidiaries, of which approximately 50% were located in the U.K., with the majority of Tripadvisor's international cash denominated in U.S. dollars, Euros, and, to a lesser extent, British pounds, Australian dollars and other currencies. As of December 31, 2019, Tripadvisor had $619 million of cumulative undistributed earnings in foreign subsidiaries. As a result of the Tax Act, foreign earnings may now generally be repatriated back to the U.S. without incurring U.S. federal income tax. See note 9 in the accompanying consolidated financial statements for additional information.

On November 1, 2019, Tripadvisor's Board of Directors declared a special cash dividend of $3.50 per share, or approximately $488 million in the aggregate. The dividend was payable on December 4, 2019 to stockholders of record on November 20, 2019. TripCo received approximately $108 million based on our ownership in Tripadvisor. Tripadvisor funded this special cash dividend with available cash primarily from the U.S. and to a lesser extent from a foreign subsidiary, with no material related income tax impacts.

As of December 31, 2019, Tripadvisor had no outstanding borrowings and approximately $1.2 billion in borrowing capacity available under the 2015 Credit Facility and $30 million of borrowing capacity available under the Tripadvisor Chinese Credit Facility—BOA (as defined in note 7 in the accompanying consolidated financial statements).

Historically, Tripadvisor's operating cash flows have been sufficient to fund its working capital requirements, capital expenditures and long term debt obligations and other financial commitments and are expected to be sufficient in future periods.

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Cash flow information			
Tripadvisor cash provided (used) by operating activities	$ 424	405	238
Corporate and other cash provided (used) by operating activities	(33)	(5)	(19)
Net cash provided (used) by operating activities	$ 391	400	219
Tripadvisor cash provided (used) by investing activities	$ (176)	(49)	6
Corporate and other cash provided (used) by investing activities	—	—	(7)
Net cash provided (used) by investing activities	$ (176)	(49)	(1)
Tripadvisor cash provided (used) by financing activities	$ (580)	(358)	(200)
Corporate and other cash provided (used) by financing activities	38	—	1
Net cash provided (used) by financing activities	$ (542)	(358)	(199)

During the year ended December 31, 2019, TripCo's primary uses of cash were dividends paid by Tripadvisor to noncontrolling interests of $380 million, debt repayments of $359 million, including $259 in principal payments on the VPF and $100 million in principal payments on the original margin loans, purchases of marketable securities of $133 million, acquisitions, net of cash acquired of $108 million, capital expenditures of $83 million, share repurchases of $60 million and payment of withholding taxes on net share settlements on equity awards of $29 million. These uses of cash were funded primarily with cash provided by operations, borrowings of debt of $235 million, proceeds from sales and maturities of marketable securities of $150 million and derivative proceeds from counterparties of $71 million.

During the year ended December 31, 2018, TripCo's primary use of cash was net debt repayments of $238 million. This use of cash was funded primarily with available cash, cash provided by operations and approximately $64 million in sales and maturities of short term investments and other marketable securities. During the year ended December 31, 2017, TripCo's primary use of cash was approximately $250 million of share repurchases under Tripadvisor's authorized share repurchase program, as well as $369 million in debt repayments, $63 million in purchases of short term investments and other marketable securities and $65 million of capital expenditures. These uses of cash were funded primarily with cash provided by operations, proceeds from sales and maturities of short term investments and other marketable securities and borrowings of debt.

The projected use of TripCo's corporate cash will primarily be to pay fees (not expected to exceed $5 million annually) to Liberty Media for providing certain services pursuant to the services agreement and the facilities sharing agreement, and to pay any other corporate level expenses and may also include repayment of the Margin Loan (discussed in note 7 in the accompanying consolidated financial statements). The debt service costs of the Margin Loan are paid in kind and become outstanding principal.

Tripadvisor's available cash and cash equivalents, combined with expected cash flows generated by operating activities and available cash from its credit facilities are expected to be sufficient to fund Tripadvisor's foreseeable working capital requirements, capital expenditures, existing business growth initiatives, debt obligations, lease commitments, and other financial commitments through at least the next twelve months. Tripadvisor's future capital requirements may also include capital needs for acquisitions, share repurchases, cash dividends and/or other expenditures in support of its business strategy, and may potentially reduce Tripadvisor's cash balance and/or increase its debt.

Off-Balance Sheet Arrangements and Aggregate Contractual Obligations

We have contingent liabilities related to legal and tax proceedings and other matters arising in the ordinary course of business including potential tax obligations associated with certain transactions following the formation of TripCo. Although it is reasonably possible we may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying consolidated financial statements.

Information concerning the amount and timing of required payments, both accrued and off-balance sheet, under our contractual obligations, excluding uncertain tax positions as it is undeterminable when payments will be made, is summarized below.

	Payments due by period				
	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
			amounts in millions		
Consolidated contractual obligations					
Finance and operating lease obligations (1)	$ 198	32	62	41	63
Long-term debt (2)	$ 412	—	412	—	—
Other obligations (3)	$ 45	5	6	19	15
Total	$ 655	37	480	60	78

(1) Estimated future lease payments for Tripadvisor's Headquarters Lease in Needham, Massachusetts and operating leases, primarily for office space, with non-cancelable lease terms. See note 8 in the accompanying consolidated financial statements for further information.

(2) Amounts (i) are stated at the face amount at maturity of our debt instruments, (ii) do not assume additional borrowings or refinancings of existing debt and (iii) assume interest rates remain at the December 31, 2019 rates.

(3) Includes transition tax liabilities as a result of the Tax Act, other purchase obligations and expected commitment fee payments on the Tripadvisor 2015 Credit Facility (as defined in note 7 in the accompanying consolidated financial statements).

Critical Accounting Policies and Estimates

The preparation of our financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Listed below are the accounting estimates that we believe are critical to our financial statements due to the degree of uncertainty regarding the estimates or assumptions involved and the magnitude of the asset, liability, revenue or expense being reported.

Recognition and Recoverability of Goodwill, Intangible and Long-lived Assets

We account for acquired businesses using the acquisition method of accounting which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill. We test goodwill for impairment at the reporting unit level (operating segment or one level below an operating segment). Goodwill is allocated to our reporting units at the date the goodwill is initially recorded. Once goodwill has been allocated to the reporting units, it no longer retains its identification with a particular acquisition and becomes identified with the reporting unit in its entirety. Accordingly, the fair value of the reporting unit as a whole is available to support the recoverability of its goodwill.

Our non-financial instrument valuations are primarily comprised of our annual assessment of the recoverability of our goodwill and other nonamortizable intangibles, such as trademarks and our evaluation of the recoverability of our other long-lived assets upon certain triggering events and the initial recognition of such assets through the application of the purchase accounting method. If the carrying value of our definite lived intangible assets and long-lived assets exceeds their undiscounted cash flows, we are required to write the carrying value down to fair value. Any such writedown is included in impairment of long-lived assets in our consolidated statement of operations. A high degree of judgment is required to estimate the fair value of our long-lived assets. We may use quoted market prices, prices for similar assets, present value techniques and other valuation techniques to prepare these estimates. We may need to make estimates of future cash flows and discount rates as well as other assumptions in order to implement these valuation techniques. Due to the high degree of judgment involved in our estimation techniques, any value ultimately derived from our long-lived assets may differ from our estimate of fair value.

During the first quarter of 2019 the composition of our reportable segments was revised, as discussed in note 14. As a result of the change in reporting units, we assessed the recoverability of our goodwill and concluded the estimated fair values were in excess of the carrying values for these reporting units. Therefore, no indications of impairment were identified as a result of these changes in the first quarter of 2019.

As of December 31, 2019, the intangible assets not subject to amortization for each of our significant reportable segments was as follows:

	Goodwill	Trademarks	Total
		amounts in millions	
Hotels, Media & Platform	$ 1,923	980	2,903
Experiences & Dining	333	—	333
Corporate and other	271	—	271
	$ 2,527	980	3,507

We perform our annual assessment of the recoverability of our goodwill and other non-amortizable intangible assets during the fourth quarter, or more frequently, if events and circumstances indicate impairment may have occurred. The accounting guidance permits entities to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the quantitative goodwill impairment test. The accounting guidance also allows entities the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to the quantitative impairment test. The entity may resume performing the qualitative assessment in any subsequent period. In evaluating goodwill on a qualitative basis, the Company reviews the business performance of each reporting unit and evaluates other relevant factors as identified in the relevant accounting guidance to determine whether it is more likely than not that an indicated impairment exists for any of our reporting units. The Company considers whether there are any negative macroeconomic conditions, industry specific conditions, market changes, increased competition, increased costs in doing business, management challenges, the legal environments and how these factors might impact company specific performance in future periods. As part of the analysis, the Company also considers fair value determinations for certain reporting units that have been made at various points throughout the current and prior year for other purposes. If, based on the qualitative analysis, it is more likely than not that an impairment exists, the Company performs the quantitative impairment test.

During the fourth quarter of 2019, we elected to bypass a qualitative assessment and proceed directly to performing a quantitative impairment test for our trademarks. The fair value of our indefinite-lived trademarks was determined using the relief from royalty method. Due to deteriorating revenue, an impairment loss of $288 million was recorded during the year ended December 31, 2019 related to trademarks, related to the hotels, media & platform reporting unit. As a result of the impairment, the estimated fair value of the trademark does not significantly exceed its carrying value as of December 31, 2019.

Following the trademark impairment, also during the fourth quarter of 2019, we performed qualitative assessments for our reporting units and performed quantitative assessments for our Rentals and China reporting units and concluded it was not more likely than not that an impairment existed.

During the fourth quarter of 2018, we performed a qualitative assessment for each reporting unit and concluded it was not more likely than not that an impairment existed.

During the fourth quarter of 2017, we elected to bypass a qualitative assessment and proceed directly to performing a quantitative impairment test for our non-amortizable intangible assets. The fair value of the non-amortizable intangible assets, which consist of indefinite-lived trademarks, was determined using the relief from royalty method. The fair values of the reporting units were determined using a combination of the income approach and the market approach. Due to certain marketplace factors impacting Tripadvisor's operating results, which led to a decline in Tripadvisor's stock price, impairments of $527 million and $1,271 million were recorded during the year ended December 31, 2017 related to trademarks and goodwill, respectively, related to the hotel reporting unit at that time.

Income Taxes

We are required to estimate the amount of tax payable or refundable for the current year and the deferred income tax liabilities and assets for the future tax consequences of events that have been reflected in our financial statements or tax returns for each taxing jurisdiction in which we operate. This process requires our management to make judgments regarding the timing and probability of the ultimate tax impact of the various agreements and transactions that we enter into. Based on these judgments we may record tax reserves or adjustments to valuation allowances on deferred tax assets to reflect the expected realizability of future tax benefits. Actual income taxes could vary from these estimates due to future changes in income tax law, significant changes in the jurisdictions in which we operate, our inability to generate sufficient future taxable income or unpredicted results from the final determination of each year's liability by taxing authorities. These changes could have a significant impact on our financial position.

Additionally, Tripadvisor records liabilities to address uncertain tax positions taken in previously filed tax returns or that are expected to be taken in a future tax return. The determination for required liabilities is based upon an analysis of each individual tax position, taking into consideration whether it is more likely than not that the tax position, based on its technical merits, will be sustained upon examination. For those positions for which a conclusion is reached that it is more likely than not it will be sustained, the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement with the taxing authority is recognized. The difference between the amount recognized and the total tax position is recorded as a liability. The ultimate resolution of these tax positions may be greater or less than the liabilities recorded.

Quantitative and Qualitative Disclosures about Market Risk.

We are exposed to market risk in the normal course of business due to our ongoing investment and financial activities and the conduct of operations by Tripadvisor in different foreign countries. Market risk refers to the risk of loss arising from adverse changes in stock prices, interest rates and foreign currency exchange rates. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. We have established policies, procedures and internal processes governing our management of market risks and the use of financial instruments to manage our exposure to such risks.

We are exposed to changes in interest rates primarily as a result of our borrowing and investment activities, which include investments in fixed and floating rate debt instruments and borrowings used to maintain liquidity and to fund business operations. The nature and amount of our long-term and short-term debt are expected to vary as a result of future requirements, market conditions and other factors. We expect to manage our exposure to interest rates by maintaining what we believe is an appropriate mix of fixed and variable rate debt. We believe this best protects us from interest rate risk. We expect to achieve this mix by (i) issuing fixed rate debt that we believe has a low stated interest rate and significant term to maturity, (ii) issuing variable rate debt with appropriate maturities and interest rates and (iii) entering into interest rate swap arrangements when we deem appropriate. As of December 31, 2019, our debt is comprised of the following amounts:

	Variable rate debt	
	Principal amount	Weighted avg interest rate
	in millions	
TripCo debt	$ 355	5.2 %

TripCo is exposed to foreign exchange rate fluctuations related primarily to the monetary assets and liabilities and the financial results of Tripadvisor's foreign subsidiaries. Assets and liabilities of foreign subsidiaries for which the functional currency is the local currency are translated into U.S. dollars at period-end exchange rates, and the statements of operations are generally translated at the average exchange rate for the period. Exchange rate fluctuations on translating foreign currency financial statements into U.S. dollars that result in unrealized gains or losses are referred to as translation adjustments. Cumulative translation adjustments are recorded in accumulated other comprehensive earnings (loss) as a separate component of stockholders' equity. Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Subsequent changes in exchange rates result in transaction gains and losses, which are reflected in income as unrealized (based on period-end translations) or realized upon settlement of the transactions. Cash flows from our operations in foreign countries are translated at the average rate for the period. Accordingly, TripCo may experience economic loss and a negative impact on earnings and equity with respect to our holdings solely as a result of foreign currency exchange rate fluctuations.

Financial Statements and Supplementary Data.

The consolidated financial statements of Liberty TripAdvisor Holdings, Inc. are included herein, beginning on Page F-25.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Controls and Procedures.

In accordance with Exchange Act Rules 13a-15 and 15d-15, the Company carried out an evaluation, under the supervision and with the participation of management, including its chief executive officer and its principal accounting and financial officer (the "Executives"), of the effectiveness of its disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Executives concluded that the Company's disclosure controls and procedures were effective as of December 31, 2019 to provide reasonable assurance that information required to be disclosed in its reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

See page F-19 for Management’s Report on Internal Control Over Financial Reporting.

See page F-20 for *Report of Independent Registered Public Accounting Firm* for their attestation regarding our internal control over financial reporting.

There has been no change in the Company's internal control over financial reporting that occurred during the three months ended December 31, 2019 that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

Other Information.

None.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Liberty TripAdvisor Holdings, Inc.'s (the "Company") management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting, as such term is defined in Rule 13a-15(f) of the Securities Exchange Act of 1934, as amended. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

The Company's management assessed the effectiveness of internal control over financial reporting as of December 31, 2019, using the criteria in *Internal Control-Integrated Framework (2013),* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation the Company's management believes that, as of December 31, 2019, its internal control over financial reporting is effective.

The Company's independent registered public accounting firm that audited the consolidated financial statements and disclosures in the Annual Report has issued an audit report on the effectiveness of the Company's internal control over financial reporting. This report appears on page F-20 of this Annual Report.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Liberty TripAdvisor Holdings, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Liberty TripAdvisor Holdings, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2019 and 2018, the related consolidated statements of operations, comprehensive earnings (loss), cash flows and equity for each of the years in the three-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements), and our report dated February 19, 2020 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Denver, Colorado
February 19, 2020

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Liberty TripAdvisor Holdings, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Liberty TripAdvisor Holdings, Inc. and subsidiaries (the Company) as of December 31, 2019 and 2018, the related consolidated statements of operations, comprehensive earnings (loss), cash flows, and equity for each of the years in the three-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 19, 2020 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Evaluation of the sufficiency of audit evidence over revenue

As discussed in Note 2 to the consolidated financial statements, and disclosed in the consolidated statements of operations, the Company had $1.560 billion in revenue for the year ended December 31, 2019, of which $779 million was hotels related, $160 million was display and platform related, $456 million related to experiences and dining and $165 million of other revenue. Each of these categories of revenue has multiple revenue streams and the Company's processes and information technology (IT) systems differ between each revenue stream.

We identified the evaluation of sufficiency of audit evidence over revenue as a critical audit matter. This matter required especially subjective auditor judgment due to the number of revenue streams and the related IT applications utilized throughout the revenue recognition processes. Subjective auditor judgment was required to evaluate that relevant revenue data was captured and aggregated throughout these various IT applications. This matter also included determining the revenue streams over which procedures would be performed and evaluating the nature and extent of evidence obtained over each revenue stream, both of which included the involvement of IT professionals with specialized skills and knowledge.

The primary procedures performed to address this critical audit matter included the following. We performed risk assessment procedures and applied auditor judgment to determine the nature and extent of procedures to be performed over revenue. For each revenue stream where procedures were performed, we:

- Tested certain internal controls over the Company's revenue processes, including the Company's controls over the accurate recording of amounts.

- For certain revenue streams, assessed the recorded revenue by selecting a sample of transactions and compared the amounts recognized for consistency with underlying documentation, including evidence of contracts with customers.

- For certain revenue streams, assessed the recorded revenue by comparing the total cash received during the year to the revenue recognized, including evaluating the relevance and reliability of the inputs to the assessment.

We involved IT professionals with specialized skills and knowledge, who assisted in:

- Testing certain IT applications used by the Company in its revenue recognition process.

- Testing the transfer of relevant revenue data between certain systems used in the revenue recognition process.

In addition, we evaluated the overall sufficiency of audit evidence obtained over revenue.

Evaluation of impairment analysis for the Tripadvisor trademark

As discussed in Notes 2 and 6 to the consolidated financial statements, the trademark balance as of December 31, 2019 was $980 million, all of which relate to Tripadvisor. The Company performs an assessment of the recoverability of intangible assets with indefinite useful lives annually, or more frequently if events and circumstances indicate impairment may have occurred. As a result of the annual impairment assessment, the Company recorded an impairment of the Tripadvisor trademark of $288 million.

We identified the evaluation of the impairment analysis for the Tripadvisor trademark as a critical audit matter. There was a high degree of subjective auditor judgment in applying and evaluating the results of our audit procedures over the discounted cash flow model used to calculate the fair value of the trademark. Specifically, testing the forecasted revenue and discount rate, which were used to calculate the estimated fair value, involved a high degree of subjectivity. In addition, the fair value of the trademark was challenging to test due to the sensitivity of the fair value determinations to changes in these assumptions.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's trademark impairment assessment process, including controls related to the determination of the estimated fair value of the trademark and the development of the key assumptions noted above. We evaluated the Company's forecasted revenue for the trademark by comparing the revenue growth to historical actual results and forecasted growth rates of analyst and peer companies. We compared the Company's historical revenue forecasts to actual results to assess the Company's ability to accurately forecast. In addition, we involved a valuation professional with specialized skill and knowledge, who assisted in:

- Evaluating the Company's discount rate by comparing it to a discount rate range that was independently developed using publicly available market data for comparable entities; and
- Assessing the estimate of trademark fair value considering the application of the discounted cash flow method, forecasted revenue, and discount rate.

/s/ KPMG LLP

We have served as the Company's auditor since 2014.

Denver, Colorado
February 19, 2020

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Balance Sheets

December 31, 2019 and 2018

	2019	2018
	amounts in millions	
Assets		
Current assets:		
Cash and cash equivalents	$ 341	672
Accounts receivable and contract assets, net of allowance for doubtful accounts of $25 million and $21 million, respectively	183	212
Other current assets	33	48
Total current assets	557	932
Property and equipment, at cost	254	234
Accumulated depreciation	(99)	(80)
	155	154
Intangible assets not subject to amortization (note 6):		
Goodwill	2,527	2,443
Trademarks	980	1,266
	3,507	3,709
Intangible assets subject to amortization, net (note 6)	277	311
Other assets, at cost, net of accumulated amortization	230	118
Total assets	$ 4,726	5,224

(continued)

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Balance Sheets (Continued)

December 31, 2019 and 2018

	2019	2018
	amounts in millions	
Liabilities and Equity		
Current liabilities:		
Deferred merchant and other payables	$ 170	179
Current portion of debt (note 7)	—	220
Deferred revenue	62	63
Accrued liabilities and other current liabilities	205	151
Total current liabilities	437	613
Long-term debt (note 7)	353	267
Deferred income tax liabilities (note 9)	254	325
Other liabilities	381	283
Total liabilities	1,425	1,488
Equity		
Preferred stock, $.01 par value. Authorized 50,000,000 shares; no shares issued.	—	—
Series A common stock, $.01 par value. Authorized 200,000,000 shares; issued and outstanding 72,152,848 at December 31, 2019 and 72,146,903 at December 31, 2018.	1	1
Series B common stock, $.01 par value. Authorized 7,500,000 shares; issued and outstanding 2,929,401 at December 31, 2019 and 2,929,777 at December 31, 2018.	—	—
Series C common stock, $.01 par value. Authorized 200,000,000 shares; no shares issued.	—	—
Additional paid-in capital	237	231
Accumulated other comprehensive earnings (loss), net of taxes	(29)	(29)
Retained earnings	111	133
Total stockholders' equity	320	336
Noncontrolling interests in equity of subsidiaries	2,981	3,400
Total equity	3,301	3,736
Commitments and contingencies (note 13)		
Total liabilities and equity	$ 4,726	5,224

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Statements of Operations

Years ended December 31, 2019, 2018 and 2017

	2019	2018	2017
	amounts in millions, except per share amounts		
Service revenue	$ 1,560	1,615	1,556
Other revenue	—	—	13
Total revenue, net	1,560	1,615	1,569
Operating costs and expenses:			
Operating expense, including stock-based compensation (note 2 and 11)	388	361	329
Selling, general and administrative, including stock-based compensation (note 2 and 11)	874	966	1,021
Depreciation and amortization	169	160	213
Impairment of intangible assets (note 6)	288	—	1,798
	1,719	1,487	3,361
Operating income (loss)	(159)	128	(1,792)
Other income (expense):			
Interest expense	(22)	(26)	(25)
Realized and unrealized gains (losses) on financial instruments, net	36	(59)	24
Other, net	13	5	(17)
	27	(80)	(18)
Earnings (loss) before income taxes	(132)	48	(1,810)
Income tax (expense) benefit (note 9)	16	(57)	229
Net earnings (loss)	(116)	(9)	(1,581)
Less net earnings (loss) attributable to the noncontrolling interests	(94)	55	(1,184)
Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders	$ (22)	(64)	(397)
Basic net earnings (loss) attributable to Series A and Series B Liberty TripAdvisor Holdings, Inc. shareholders per common share (note 2):	$ (0.29)	(0.86)	(5.29)
Diluted net earnings (loss) attributable to Series A and Series B Liberty TripAdvisor Holdings, Inc. shareholders per common share (note 2):	$ (0.29)	(0.86)	(5.29)

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Statements of Comprehensive Earnings (Loss)

Years ended December 31, 2019, 2018 and 2017

	2019	2018	2017
	amounts in millions		
Net earnings (loss)	$ (116)	(9)	(1,581)
Other comprehensive earnings (loss), net of taxes:			
Foreign currency translation adjustments	5	(28)	59
Reclassification adjustment for net losses included in net income	(2)	—	—
Other comprehensive earnings (loss)	3	(28)	59
Comprehensive earnings (loss)	(113)	(37)	(1,522)
Less comprehensive earnings (loss) attributable to the noncontrolling interests	(91)	33	(1,138)
Comprehensive earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders	$ (22)	(70)	(384)

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Statements of Cash Flows

Years ended December 31, 2019, 2018 and 2017

	2019	2018	2017
	amounts in millions		
Cash flows from operating activities:			
Net earnings (loss)	$ (116)	(9)	(1,581)
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:			
Depreciation and amortization	169	160	213
Stock-based compensation	131	123	103
Impairment of intangible assets (note 6)	288	—	1,798
Realized and unrealized (gains) losses on financial instruments, net	(36)	59	(24)
Deferred income tax expense (benefit)	(79)	(8)	(329)
Other charges (credits), net	(18)	10	25
Changes in operating assets and liabilities			
Current and other assets	52	38	(71)
Payables and other liabilities	—	27	85
Net cash provided (used) by operating activities	391	400	219
Cash flows from investing activities:			
Capital expended for property and equipment, including internal-use software and website development	(83)	(61)	(65)
Acquisitions, net of cash acquired (note 3)	(108)	(24)	—
Purchases of short term investments and other marketable securities	(133)	(16)	(63)
Sales and maturities of short term investments and other marketable securities	150	64	133
Other investing activities, net	(2)	(12)	(6)
Net cash provided (used) by investing activities	(176)	(49)	(1)
Cash flows from financing activities:			
Borrowings of debt	235	7	435
Repayments of debt	(359)	(245)	(369)
Cash dividend paid by Tripadvisor to noncontrolling interests (note 10)	(380)	—	—
Shares repurchased by subsidiary (note 10)	(60)	(100)	(250)
Payment of withholding taxes on net share settlements of equity awards	(29)	(26)	(17)
Derivative proceeds from counterparties	71	—	—
Other financing activities, net	(20)	6	2
Net cash provided (used) by financing activities	(542)	(358)	(199)
Effect of foreign currency exchange rates on cash, cash equivalents and restricted cash	(4)	(16)	17
Net increase (decrease) in cash, cash equivalents and restricted cash	(331)	(23)	36
Cash, cash equivalents and restricted cash at beginning of period	672	695	659
Cash, cash equivalents and restricted cash at end of period	$ 341	672	695

See accompanying notes to consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Consolidated Statements of Equity

Years ended December 31, 2019, 2018 and 2017

	Stockholders' equity								
	Preferred stock	Series A	Series B	Series C	Additional paid-in capital	Accumulated other comprehensive earnings (loss)	Retained earnings	Noncontrolling interest in equity of subsidiaries	Total equity
					amounts in millions				
Balance at December 31, 2016	$ —	1	—	—	245	(36)	593	4,621	5,424
Net earnings (loss)	—	—	—	—	—	—	(397)	(1,184)	(1,581)
Other comprehensive earnings (loss)	—	—	—	—	—	13	—	46	59
Stock-based compensation	—	—	—	—	30	—	—	85	115
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	(17)	—	—	—	(17)
Shares repurchased by subsidiary (note 10)	—	—	—	—	(2)	—	—	(248)	(250)
Other, net	—	—	—	—	(6)	—	—	9	3
Balance at December 31, 2017	—	1	—	—	250	(23)	196	3,329	3,753
Net earnings (loss)	—	—	—	—	—	—	(64)	55	(9)
Other comprehensive earnings (loss)	—	—	—	—	—	(6)	—	(22)	(28)
Stock-based compensation	—	—	—	—	35	—	—	101	136
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	(26)	—	—	—	(26)
Shares repurchased by subsidiary (note 10)	—	—	—	—	(20)	—	—	(80)	(100)
Other, net	—	—	—	—	(8)	—	1	17	10
Balance at December 31, 2018	—	1	—	—	231	(29)	133	3,400	3,736
Net earnings (loss)	—	—	—	—	—	—	(22)	(94)	(116)
Other comprehensive earnings (loss)	—	—	—	—	—	—	—	3	3
Stock-based compensation	—	—	—	—	37	—	—	109	146
Withholding taxes on net share settlements of stock-based compensation	—	—	—	—	(29)	—	—	—	(29)
Cash dividends paid by Tripadvisor to noncontrolling interests (note 10)	—	—	—	—	—	—	—	(380)	(380)
Shares repurchased by subsidiary (note 10)	—	—	—	—	7	—	—	(67)	(60)
Other, net	—	—	—	—	(9)	—	—	10	1
Balance at December 31, 2019	$ —	1	—	—	237	(29)	111	2,981	3,301

See accompanying notes to consolidated financial statements.

(1) Basis of Presentation

Liberty TripAdvisor Holdings, Inc. ("TripCo" or the "Company") was formed in 2013 as a Delaware corporation. TripCo was a subsidiary of Liberty Interactive Corporation (subsequently renamed Qurate Retail, Inc. ("Qurate Retail")) until the completion of its spin-off from Qurate Retail on August 27, 2014 ("TripCo Spin-Off"). TripCo does not have any operations outside of its controlling interest in its subsidiary Tripadvisor, Inc. ("Tripadvisor") and its former wholly owned subsidiary, BuySeasons, Inc. ("BuySeasons"). TripCo sold its ownership in BuySeasons effective June 30, 2017. Both Tripadvisor and BuySeasons operated as stand-alone operating entities. Tripadvisor's financial performance tends to be seasonally highest in the second and third quarters of a given year, which includes the seasonal peak in consumer demand, traveler hotel and rental stays, and travel activities and experiences taken, compared to the first and fourth quarters, which represent seasonal low points.

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and represent a consolidation of the historical financial information of Tripadvisor (see note 4 for a more detailed discussion of transactions related to Tripadvisor) and BuySeasons. The results of BuySeasons are included in the accompanying consolidated financial results of TripCo until June 30, 2017. These financial statements refer to the consolidation of Tripadvisor and BuySeasons as "TripCo," "the Company," "us," "we" and "our" in the notes to the consolidated financial statements. All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements. Additionally, certain prior period amounts have been reclassified for comparability with the current period presentation.

Description of Business

Tripadvisor is a leading online travel company and its mission is to help people around the world plan, book and experience the perfect trip. Tripadvisor operates a global travel platform that connects the world's largest audience of prospective travelers with travel partners through rich content, price comparison tools and online reservations and related services for destinations, travel activities and experiences, and restaurants.

Under its flagship brand, Tripadvisor, it launched www.Tripadvisor.com in the United States in 2000. Since then, Tripadvisor has launched localized versions of the Tripadvisor website in 48 markets and 28 languages worldwide. Tripadvisor's rich content and engaged community attract the world's largest travel audience based on monthly unique visitors, including 463 million average monthly unique visitors in the third quarter of 2019 during the peak summer travel season. In addition to the flagship Tripadvisor brand, Tripadvisor owns and operates a portfolio of travel media brands and businesses, operating under various websites, connected by the common goal of providing consumers the most comprehensive travel-planning and trip-taking resources in the travel industry.

During the first quarter of 2019, as part of our continuous review of the business, we evaluated our operations and realigned the reportable segment information which our chief operating decision maker, or CODM, regularly assesses to evaluate performance for operating decision-making purposes, including evaluation and allocation of resources. The revised segment reporting structure includes the following reportable segments: (1) Hotels, Media & Platform; and (2) Experiences & Dining.

Spin-Off of TripCo from Qurate Retail

The TripCo Spin-Off was completed on August 27, 2014. Following the TripCo Spin-Off, Qurate Retail and TripCo operate as separate, publicly traded companies, and neither has any stock ownership, beneficial or otherwise, in the other. In connection with the TripCo Spin-Off, TripCo entered into certain agreements, including the services agreement, the facilities sharing agreement and the tax sharing agreement, with Qurate Retail and/or Liberty Media

Corporation ("Liberty Media") (or certain of their subsidiaries) in order to govern certain of the ongoing relationships between the companies after the TripCo Spin-Off and to provide for an orderly transition.

Pursuant to the services agreement (except as described below in respect to Gregory B. Maffei), Liberty Media provides TripCo with general and administrative services including legal, tax, accounting, treasury and investor relations support. Liberty TripCo reimburses Liberty Media for direct, out-of-pocket expenses incurred by Liberty Media in providing these services and TripCo pays a services fee to Liberty Media under the services agreement that is subject to adjustment semi-annually, as necessary.

In December 2019, TripCo entered into an amendment to the services agreement with Liberty Media in connection with Liberty Media's entry into a new employment arrangement with Gregory B. Maffei, TripCo's Chairman, President and Chief Executive Officer. Under the amended services agreement, components of his compensation will either be paid directly to him by each of TripCo, Liberty Broadband Corporation, GCI Liberty, Inc. and Qurate Retail (collectively, the "Service Companies") or reimbursed to Liberty Media, in each case, based on allocations among Liberty Media and the Service Companies set forth in the amended services agreement, currently set at 5% for the Company. The new agreement between Liberty Media and Mr. Maffei provides for a five year employment term which began on January 1, 2020 and ends December 31, 2024, with an aggregate annual base salary of $3 million (with no contracted increase), an aggregate one-time cash commitment bonus of $5 million, an aggregate annual target cash performance bonus of $17 million, aggregate annual equity awards of $17.5 million and aggregate equity awards granted in connection with his entry into his new agreement of $90 million (the "upfront awards"). A portion of the grants made to our CEO in the year ended December 31, 2019 related to our company's allocable portion of these upfront awards.

Under the facilities sharing agreement, TripCo shares office space with Liberty Media and related amenities at Liberty Media's corporate headquarters in Englewood, Colorado.

The tax sharing agreement provides for the allocation and indemnification of tax liabilities and benefits between Qurate Retail and TripCo and other agreements related to tax matters. Pursuant to the tax sharing agreement, TripCo has agreed to indemnify Qurate Retail, subject to certain limited exceptions, for losses and taxes resulting from the TripCo Spin-Off to the extent such losses or taxes result primarily from, individually or in the aggregate, the breach of certain restrictive covenants made by TripCo (applicable to actions or failures to act by TripCo and its subsidiaries following the completion of the TripCo Spin-Off).

Under these agreements, approximately $4 million and $3 million were reimbursable to Liberty Media for the years ended December 31, 2019 and 2018, respectively.

(2) Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments, including money market funds and marketable debt securities, with maturities of three months or less at the time of acquisition.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recognized when the right to consideration becomes unconditional and are recorded net of an allowance for doubtful accounts. Such allowance aggregated $25 million and $21 million at December 31, 2019 and 2018, respectively. Our customer invoices are generally due 30 days from the time of invoicing. For accounts outstanding longer than the contractual payment terms, the Company determines an allowance by considering a number of factors, including the length of time trade accounts receivable are past due, previous loss history, a specific customer's ability to pay its obligations to us, and the condition of the general economy and industry as a whole.

Investments

All marketable debt and equity securities held by the Company are carried at fair value, generally based on quoted market prices. Fair values are determined for each individual security in the investment portfolio. Unrealized gains and losses, net of taxes, arising from changes in fair value are reported in accumulated other comprehensive income (loss) as a component of equity.

For those investments in which the Company has the ability to exercise significant influence, the equity method of accounting is used. Under this method, the investment, originally recorded at cost, is adjusted to recognize the Company's share of net earnings or losses of the affiliate as they occur rather than as dividends or other distributions are received. Losses are limited to the extent of the Company's investment in, advances to and commitments for the investee. In the event the Company is unable to obtain accurate financial information from an equity affiliate in a timely manner, the Company records its share of earnings or losses on a lag.

For those equity securities without readily determinable values, the Company elected the measurement alternative (defined as the cost of the security, adjusted for changes in fair value when there are observable prices, less impairments).

The classification of investments is determined at the time of purchase and reevaluated at each balance sheet date. We invest in highly-rated securities, and our investment policy limits the amount of credit exposure to any one issuer, industry group and currency. The policy requires investments to be investment grade, with the primary objective of minimizing the potential risk of principal loss and providing liquidity of investments sufficient to meet our operating and capital spending requirements and debt repayments.

Marketable debt securities are classified as either short-term or long-term based on each instrument's underlying contractual maturity date and as to whether and when we intend to sell a particular security prior to its maturity date. Marketable debt securities with maturities greater than 90 days at the date of purchase and 12 months or less remaining at the balance sheet date will be classified as short-term and marketable debt securities with maturities greater than 12 months from the balance sheet date will generally be classified as long-term. We classify our marketable equity securities, limited to money market funds and mutual funds, as either a cash equivalent, short-term or long-term based on the nature of each security and its availability for use in current operations.

Realized gains and losses on the sale of securities are determined by specific identification of each security's cost basis. We may sell certain of our marketable securities prior to their stated maturities for strategic reasons including, but not limited to, anticipation of credit deterioration and liquidity and duration management. The weighted average maturity of our total invested cash shall not exceed 18 months, and no security shall have a final maturity date greater than three years.

Derivative Instruments

All of the Company's derivatives, whether designated in hedging relationships or not, are recorded on the balance sheet at fair value. If the derivative is designated as a fair value hedge, the changes in the fair value of the derivative and of the hedged item attributable to the hedged risk are recognized in earnings. If the derivative is designated as a cash flow hedge, the effective portions of changes in the fair value of the derivative are recorded in other comprehensive earnings and are recognized in the statement of operations when the hedged item affects earnings. Ineffective portions of changes in the fair value of cash flow hedges are recognized in earnings. If the derivative is not designated as a hedge, changes in the fair value of the derivative are recognized in earnings. None of the Company's derivatives are currently designated as hedges.

The fair value of certain of the Company's derivative instruments are estimated using the Black-Scholes-Merton model. The Black-Scholes-Merton model incorporates a number of variables in determining such fair values, including expected volatility of the underlying security and an appropriate discount rate. The Company obtains volatility rates from pricing services based on the expected volatility of the underlying security over the remaining term of the derivative instrument. A discount rate is obtained at the inception of the derivative instrument and updated each reporting period, based on the Company's estimate of the discount rate at which it could currently settle the derivative instrument. The Company considered its own credit risk as well as the credit risk of its counterparties in estimating the discount rate. Management judgment is required in estimating the Black-Scholes-Merton model variables.

Property and Equipment

Property and equipment consists of the following (amounts in millions):

	December 31, 2019	December 31, 2018
Buildings (1)	$ —	123
Finance lease right-of-use asset (1)	114	—
Leasehold improvements	49	41
Computer equipment and purchased software	70	52
Furniture, office equipment and other	21	18
Total property and equipment	$ 254	234

(1) Refer to note 8 regarding the transition accounting related to the adoption of ASC 842 and subsequent accounting for Tripadvisor's headquarters lease in Needham, Massachusetts (Tripadvisor's "Headquarters Lease").

Property and equipment is recorded at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is three to five years for computer equipment and furniture, office equipment and other. Leasehold improvements are depreciated using the straight-line method, over the shorter of the estimated useful life of the improvement or the remaining term of the lease.

Leases

The Company, through its consolidated companies, leases facilities in several countries around the world and certain equipment under non-cancelable lease agreements. Refer to note 8 for a discussion on accounting for leases and other financial disclosures.

Intangible Assets

Intangible assets with estimable useful lives are amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment upon certain triggering events. Goodwill and other intangible assets with indefinite useful lives (collectively, "indefinite lived intangible assets") are not amortized, but instead are tested for impairment at least annually. Our annual impairment assessment of our indefinite-lived intangible assets is performed during the fourth quarter of each year.

The accounting guidance permits entities to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the quantitative goodwill impairment test. The accounting guidance also allows entities the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to the quantitative impairment test. The entity may resume performing the qualitative assessment in any subsequent period.

In evaluating goodwill on a qualitative basis, the Company reviews the business performance of each reporting unit and evaluates other relevant factors as identified in the relevant accounting guidance to determine whether it was more likely than not that an indicated impairment exists for any of our reporting units. The Company considers whether there are any negative macroeconomic conditions, industry specific conditions, market changes, increased competition, increased costs in doing business, management challenges, the legal environments and how these factors might impact company specific performance in future periods. As part of the analysis, the Company also considers fair value determinations for certain reporting units that have been made at various points throughout the current year and prior year for other purposes. If, based on the qualitative analysis, it is more likely than not that an impairment exists, the Company performs the quantitative impairment test.

The quantitative goodwill impairment test compares the estimated fair value of a reporting unit to its carrying value. Developing estimates of fair value requires significant judgments, including making assumptions about appropriate discount rates, perpetual growth rates, relevant comparable market multiples, public trading prices and the amount and timing of expected future cash flows. The cash flows employed in TripCo's valuation analyses, where applicable, are based on management's best estimates considering current marketplace factors and risks as well as assumptions of growth rates in future years. There can be no assurance that actual results will approximate these forecasts.

The accounting guidance also permits entities to first perform a qualitative assessment to determine whether it is more likely than not that an indefinite-lived intangible asset, other than goodwill, is impaired. The accounting guidance also allows entities the option to bypass the qualitative assessment for any indefinite-lived intangible asset in any period and proceed directly to the quantitative impairment test. The entity may resume performing the qualitative assessment in any subsequent period. If the qualitative assessment supports that it is more likely than not that the carrying value of the Company's indefinite-lived intangible assets, other than goodwill, exceeds its fair value, then a quantitative assessment is performed. If the carrying value of an indefinite-lived intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. See note 6 for discussion of goodwill and trademark impairments.

Websites and Internal Use Software Development Costs

Certain costs incurred during the application development stage related to the development of websites and internal use software are capitalized and included in other intangible assets subject to amortization. Capitalized costs include internal and external costs, if direct and incremental, and deemed by management to be significant. Costs related to the planning and post-implementation phases of software and website development are expensed as these costs are incurred. Maintenance and enhancement costs (including those costs in the post-implementation stages) are typically expensed as incurred, unless such costs relate to substantial upgrades and enhancements to the website or software resulting in added functionality, in which case the costs are capitalized.

Impairment of Long-lived Assets

The Company periodically reviews the carrying amounts of its property and equipment and its intangible assets (other than goodwill and indefinite-lived intangibles) to determine whether current events or circumstances indicate that such carrying amounts may not be recoverable. If the carrying amount of the asset group is greater than the expected undiscounted cash flows to be generated by such asset group, including its ultimate disposition, an impairment adjustment is recognized. Such adjustment is measured by the amount that the carrying value of such asset groups exceeds their fair value. The Company generally measures fair value by considering sale prices for similar assets or by discounting estimated future cash flows using an appropriate discount rate. Considerable management judgment is necessary to estimate the fair value of asset groups. Accordingly, actual results could vary significantly from such estimates. Asset groups to be disposed of are carried at the lower of their financial statement carrying amount or fair value less costs to sell.

Noncontrolling Interests

Noncontrolling interest relates to the equity ownership interest in Tripadvisor that the Company does not own. The Company reports noncontrolling interests of consolidated companies within equity in the consolidated balance sheets and the amount of net income attributable to the parent and to the noncontrolling interest is presented in the consolidated statements of operations. Also, changes in ownership interests in consolidated companies in which the Company maintains a controlling interest are recorded in equity.

Foreign Currency Translation and Transaction Gains and Losses

The functional currency of the Company is the United States ("U.S.") dollar. The functional currency of the Company's foreign operations generally is the applicable local currency for each foreign subsidiary. Assets and liabilities of foreign subsidiaries are translated at the spot rate in effect at the applicable reporting date, and the consolidated statements of operations are translated at the average exchange rates in effect during the applicable period. The resulting unrealized cumulative translation adjustment, net of applicable income taxes, is recorded as a component of accumulated other comprehensive earnings (loss) in equity.

Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Subsequent changes in exchange rates result in transaction gains and losses which are reflected in the accompanying consolidated statements of operations and comprehensive earnings (loss) as unrealized (based on the applicable period-end exchange rate) or realized upon settlement of the transactions.

Accordingly, we have recorded foreign currency exchange losses of $3 million and $6 million and gains of $1 million for the years ended December 31, 2019, 2018, and 2017, respectively, in other, net on our consolidated statements of operations.

Revenue Recognition

Tripadvisor generates all of its revenue from contracts with customers. It recognizes revenue when it satisfies a performance obligation by transferring control of the promised services to a customer in an amount that reflects the consideration that it expects to receive in exchange for those services. When Tripadvisor acts as an agent in the transaction, it recognizes revenue for only its commission on the arrangement. Tripadvisor determines revenue recognition through the following steps:

(1) Identification of the contract, or contracts, with a customer
(2) Identification of the performance obligations in the contract
(3) Determination of the transaction price
(4) Allocation of the transaction price to the performance obligations in the contract
(5) Recognition of revenue when, or as, Tripadvisor satisfies a performance obligation

At contract inception, Tripadvisor assesses the services promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a service (or bundle of services) that is distinct. To identify the performance obligations, Tripadvisor considers all of the services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. There was no significant revenue recognized in the years ended December 31, 2019 and 2018 related to performance obligations satisfied in prior periods. Tripadvisor has applied a practical expedient and does not disclose the value of unsatisfied performance obligations that have an original expected duration of less than one year, and Tripadvisor does not have any material unsatisfied performance obligations over one year. The value related to Tripadvisor's remaining or partially satisfied performance obligations relates to subscription services that are satisfied over time or services that are recognized at a point in time, but not yet achieved. The timing of services, invoicing and payments do not include a significant financing component. Tripadvisor's customer invoices are generally due 30 days from the time of invoicing.

Tripadvisor recognizes an asset for the incremental costs of obtaining a contract with a customer if it expects the benefit of those costs to be longer than one year. Although the substantial majority of its contract costs have an amortization period of less than one year, Tripadvisor has determined contract costs arising from certain sales incentives have an amortization period in excess of one year given the high likelihood of contract renewal. Sales incentives are not paid upon renewal of these contracts and therefore are not commensurate with the initial sales incentive costs. Total capitalized costs to obtain a contract were approximately $4 million and $2 million as of December 31, 2019 and 2018, respectively. These contract costs are amortized on a straight-line basis over the estimated customer life, which is based on historical customer retention rates. Amortization expense recorded to selling, general and administrative expense during years ended December 31, 2019 and 2018, respectively, were $1 million and not material. Tripadvisor assesses such assets for impairment when events or circumstances indicate that the carrying amount may not be recoverable.

The recognition of revenue may require the application of judgment related to the determination of the performance obligations, the timing of when the performance obligations are satisfied and other areas. The determination of Tripadvisor's performance obligations does not require significant judgment given that it generally does not provide multiple services to a customer in a transaction, and the point in which control is transferred to the customer is readily determinable. In instances where Tripadvisor recognizes revenue over time, it generally has either a subscription service that is recognized over time on a straight-line basis using the time-elapsed output method, or based on other output measures that provide a faithful depiction of the transfer of Tripadvisor's services. When an estimate for cancellations is included in the transaction price, the estimate is based on historical cancellation rates. There have been no significant adjustments to Tripadvisor's cancellation estimates and the cancellation estimates are not material. Taxes assessed by a government authority that are both imposed on and concurrent with a specific revenue–producing transaction, that are collected by Tripadvisor from a customer, are reported on a net basis, or in other words, excluded from revenue on its consolidated financial statements, which is consistent with prior periods. The application of Tripadvisor's revenue recognition policies and a description of the principal activities from which it generates revenue, are presented below.

Hotels, Media & Platform Segment

Tripadvisor-branded Hotels Revenue. Tripadvisor's largest source of Hotel, Media & Platform segment revenue is generated from click-based advertising on Tripadvisor-branded websites, which is primarily comprised of contextually-relevant booking links to its travel partners' websites. Click-based advertising is generally priced on a cost-per-click, or "CPC," basis, with payments from travel partners determined by the number of travelers who click on a link multiplied by the CPC rate for each specific click as determined in a dynamic, competitive auction process.

In addition, Tripadvisor offers subscription-based advertising to hotel partners, owners of B&Bs and other specialty lodging properties. Subscription-based advertising services are predominantly sold for a flat fee for a contracted period of time of one year or less and revenue is recognized on a straight-line basis over the period of the subscription service as efforts are expended evenly throughout the contract period.

Tripadvisor also offers travel partners the opportunity to advertise and promote their business through hotel sponsored placements on Tripadvisor's websites. This service is generally priced on a fixed CPC basis, with payments from travel partners determined by the number of travelers who click on the sponsored link multiplied by the CPC rate for each specific click.

To a lesser extent, Tripadvisor generates transaction revenue from Tripadvisor's hotel instant booking feature, which enables hotel shoppers to book directly with a travel partner, with the latter serving as the merchant of record for the transaction, without leaving Tripadvisor's website. Tripadvisor earns a commission from its travel partners for each traveler that completes a hotel reservation on Tripadvisor's website, based on a pre-determined contractual commission rate.

Tripadvisor-branded Display and Platform Revenue. Tripadvisor offers travel partners the ability to promote their brands through display-based advertising placements on Tripadvisor's websites across all of its segments and business units. Tripadvisor display-based advertising clients are predominantly direct suppliers of hotels, airlines and cruises, as well as destination marketing organizations. Tripadvisor also sells display-based advertising to online travel agencies and other travel related businesses, as well as advertisers from non-travel categories. Display-based advertising is sold predominantly on a cost per thousand impressions basis.

Experiences & Dining Segment

Tripadvisor provides information and services that allow consumers to research and book activities and attractions in popular travel destinations primarily through Viator, Tripadvisor's dedicated Experiences offering, and on the Tripadvisor website and mobile apps. Tripadvisor generates commissions for each booking transaction it facilitates through its online reservation system.

Tripadvisor also provides information and services for consumers to research and book restaurants in popular travel destinations through its dedicated restaurant reservations offering, TheFork, and on Tripadvisor-branded websites and mobile apps. TheFork is an online restaurant booking platform operating on a number of websites with a network of restaurant partners located primarily across the United Kingdom (the "U.K."), Europe, Australia, and South America. Tripadvisor primarily generates transaction fees (or per seated diner fees) that are paid by restaurants for diners seated primarily from bookings through TheFork's online reservation system.

Other

Tripadvisor provides information and services that allow travelers to research and book vacation and short-term rental properties. The Rentals offering generates revenue primarily by offering individual property owners and managers the ability to list their properties on Tripadvisor's websites and mobile apps thereby connecting with travelers through a free-to-list, commission-based option or, to a lesser extent, by an annual subscription-based fee structure. Tripadvisor earns commissions associated with rental transactions through its free-to-list model from both the traveler, and the property owner or manager.

In addition, Other also includes revenue generated from flights, cruises, and car offerings on Tripadvisor, as well as revenue from non-Tripadvisor-branded websites not otherwise described above, such as www.bookingbuddy.com, www.cruisecritic.com, www.onetime.com and www.smartertravel.com, and Tripadvisor China, which primarily includes click-based advertising and display-based advertising revenue.

Practical Expedients and Exemptions

Tripadvisor expenses costs to obtain a contract as incurred, such as sales incentives, when the amortization period would have been one year or less.

Tripadvisor does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which it recognizes revenue at the amount to which it has the right to invoice for services performed.

Disaggregation of Revenue

Tripadvisor disaggregates revenue from contracts with customers into major products/revenue sources. Tripadvisor has determined that disaggregating revenue into these categories achieves the disclosure objective to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Revenue is recognized primarily at a point in time for all reported segments.

	Years ended December 31,	
	2019	2018
	amounts in millions	
Hotels, Media & Platform		
Tripadvisor-branded hotels	$ 779	848
Tripadvisor-branded display and platform	160	153
Total Hotels, Media & Platform	939	1,001
Experiences & Dining	456	372
Corporate and other	165	242
Total Revenue	$ 1,560	1,615

The following table provides information about the opening and closing balances of accounts receivable and contract assets from contracts with customers (in millions):

	December 31, 2019	December 31, 2018
Accounts receivable	$ 176	205
Contract assets	7	7
Total	$ 183	212

Accounts receivable are recognized when the right to consideration becomes unconditional. Contract assets are rights to consideration in exchange for services that Tripadvisor has transferred to a customer when that right is conditional on something other than the passage of time, such as commission payments that are contingent upon the completion of the service by the principal in the transaction. Contract liabilities generally include payments received in advance of performance under the contract, and are realized as revenue as the performance obligation to the customer is satisfied, which Tripadvisor presents as deferred revenue on its consolidated balance sheets. As of January 1, 2019 and 2018, Tripadvisor had $63 million and $59 million, respectively, recorded as deferred revenue on its consolidated balance sheet, of which $61 million and $57 million, respectively, was recognized into revenue and $2 million was refunded due to cancellations by travelers during both years ended December 31, 2019 and 2018. The difference between the opening and closing balances of Tripadvisor's deferred revenue primarily results from the timing differences between when Tripadvisor receives customer payments and the time in which Tripadvisor satisfies its performance obligations. The difference between the opening and closing balances of Tripadvisor's contract assets primarily results from the timing difference between when Tripadvisor satisfies its performance obligations and the time when the principal completes the service in the transaction. There were no significant changes in contract assets or deferred revenue during the years ended December 31, 2019 and 2018, related to business combinations, impairments, cumulative catch-ups or other material adjustments.

Operating Expense

Operating expenses consist primarily of certain technology and content expenses, including personnel and overhead expenses which include salaries, benefits and bonuses for salaried employees and contractors engaged in the design, development, testing content support and maintenance of Tripadvisor's websites and mobile apps. Operating expense also includes, to a lesser extent, costs of services which are expenses that are closely correlated or directly related to service revenue generated, including credit card and other booking transaction payment fees, data center costs, costs associated with prepaid tour tickets, ad serving fees, flight search fees and other transactions. Other costs include licensing, maintenance expense, computer supplies, telecom costs, content translation and localization costs and consulting costs.

General and Administrative

General and administrative expenses consist primarily of personnel and related overhead costs, including personnel engaged in leadership, finance, legal and human resource functions as well as professional service fees and other fees including audit, legal, tax and accounting, and other costs including bad debt expense and non-income taxes, such as sales, use and other non-income related taxes.

Selling and Marketing

Selling and marketing expenses primarily consist of direct costs, including traffic generation costs from search engine marketing, or SEM, and other online traffic acquisition costs, syndication costs and affiliate program commissions, social media costs, brand advertising (including television and other offline advertising), promotions and public relations. In addition, our indirect sales and marketing expense consists of personnel and overhead expenses, including salaries, commissions, benefits, and bonuses for sales, sales support, customer support and marketing employees.

Tripadvisor incurs advertising expense consisting of traffic generation costs from SEM and other online traffic costs, affiliate program commissions, display advertising, social media, other online and offline (primarily television) advertising expense, and promotions and public relations to promote its brands. Costs associated with communicating the advertisements are expensed in the period in which the advertisement takes place. Production costs associated with advertisements are expensed in the period in which the advertisement first takes place.

Stock-Based Compensation

As more fully described in note 11, TripCo grants to its directors, employees and employees of its subsidiaries restricted stock and options (collectively, “Awards”) to purchase shares of TripCo common stock. TripCo measures the cost of employee services received in exchange for an equity classified Award (such as stock options and restricted stock) based on the grant-date fair value of the Award, and recognizes that cost over the period during which the employee is required to provide service (usually the vesting period of the Award). TripCo measures the cost of employee services received in exchange for a liability classified Award based on the current fair value of the Award, and remeasures the fair value of the Award at each reporting date. Certain outstanding awards that were previously granted by Qurate Retail were assumed by TripCo upon the completion of the TripCo Spin-Off. Additionally, Tripadvisor is a consolidated company and has issued stock-based compensation to its employees related to its common stock. The consolidated statements of operations include stock-based compensation related to TripCo Awards and Tripadvisor equity awards.

Included in the accompanying consolidated statements of operations are the following amounts of stock-based compensation for the years ended December 31, 2019, 2018 and 2017 (amounts in millions):

	December 31,		
	2019	2018	2017
Operating expense	$ 56	52	40
Selling, general and administrative	75	71	63
	$ 131	123	103

During the years ended December 31, 2019, 2018 and 2017, Tripadvisor capitalized $19 million, $13 million and $13 million, respectively, of stock-based compensation expense as internal-use software and website development costs.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying value amounts and income tax bases of assets and liabilities and the expected benefits of utilizing net operating loss and tax credit carryforwards. The deferred tax assets and liabilities are calculated using enacted income tax rates in effect for each taxing jurisdiction in which the Company operates for the year in which those temporary differences are expected to be recovered or settled. Net deferred tax assets are then reduced by a valuation allowance if the Company believes it more likely than not that such net deferred tax assets will not be realized. We consider all relevant factors when assessing the likelihood of future realization of our deferred tax assets, including our recent earnings experience by jurisdiction, expectations of future taxable income, and the carryforward periods available to us for tax reporting purposes, as well as assessing available tax planning strategies. The effect on deferred tax assets and liabilities of an enacted change in tax rates is recognized in income in the period that includes the enactment date. Due to inherent complexities arising from the nature of our businesses, future changes in income tax law, tax sharing agreements or variances between our actual and anticipated operating results, we make certain judgments and estimates. Therefore, actual income taxes could materially vary from these estimates.

When the tax law requires interest to be paid on an underpayment of income taxes, the Company recognizes interest expense from the first period the interest would begin accruing according to the relevant tax law. Such interest expense is included in income tax (expense) benefit in the accompanying consolidated statements of operations. Any accrual of penalties related to underpayment of income taxes on uncertain tax positions is included in income tax (expense) benefit in the accompanying consolidated statements of operations.

We recognize in our consolidated financial statements the impact of a tax position, if that position is more likely than not to be sustained upon an examination, based on the technical merits of the position.

Deferred Merchant Payables

In Tripadvisor's Rentals free-to-list model and its Experiences businesses, Tripadvisor receives cash from travelers at the time of booking and it records these amounts, net of commissions, on its consolidated balance sheets as deferred merchant payables. Tripadvisor pays the suppliers, or the vacation rental owners and tour providers, respectively, after the travelers' use. Therefore, it receives cash from the traveler prior to paying the suppliers and this operating cycle represents a working capital source or use of cash to Tripadvisor. Tripadvisor's deferred merchant payables balance was $159 million and $164 million for the years ended December 31, 2019 and 2018, respectively.

Certain Risks and Concentrations

The Tripadvisor business is subject to certain risks and concentrations, including concentrations related to dependence on relationships with its customers. For the years ended December 31, 2019, 2018 and 2017, Tripadvisor's two most significant travel partners, Expedia Group Inc. ("Expedia") and Booking Holdings Inc., which each accounted for more than 10% of Tripadvisor's consolidated revenue and combined accounted for approximately 33%, 37% and 43%, respectively, of its total revenue.

Contingent Liabilities

Periodically, the Company reviews the status of all significant outstanding matters to assess any potential financial exposure. When (i) it is probable that an asset has been impaired or a liability has been incurred and (ii) the amount of the loss can be reasonably estimated, we record the estimated loss in our consolidated statements of operations. The Company provides disclosure in the notes to the consolidated financial statements for loss contingencies that do not meet both these conditions if there is a reasonable possibility that a loss may have been incurred that would be material to the consolidated financial statements. Significant judgment is required to determine the probability that a liability has been incurred and whether such liability is reasonably estimable. Accruals are based on the best information available at the time which can be highly subjective. The final outcome of these matters could vary significantly from the amounts included in the accompanying consolidated financial statements.

Comprehensive Income (Loss)

Comprehensive income (loss) consists of net income (loss), cumulative foreign currency translation adjustments, and unrealized gains and losses on available-for-sale securities, net of tax.

Earnings (Loss) per Common Share (EPS)

Basic earnings (loss) per common share ("EPS") is computed by dividing net earnings (loss) by the weighted average number of common shares outstanding for the period. Diluted EPS presents the dilutive effect on a per share basis of potential common shares as if they had been converted at the beginning of the periods presented. Excluded from EPS for each of the years ended December 31, 2019, 2018 and 2017 are 2 million potential common shares because their inclusion would be antidilutive.

	Years ended December 31,		
	2019	2018	2017
	number of shares in millions		
Basic EPS	75	74	75
Potentially dilutive shares	—	—	—
Diluted EPS	75	74	75

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company considers (i) recoverability and recognition of goodwill, intangible and long-lived assets and (ii) accounting for income taxes to be its most significant estimates.

(3) Supplemental Disclosures to Consolidated Statements of Cash Flows

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Acquisitions, net of cash acquired:			
Intangibles not subject to amortization	$ 85	12	—
Intangibles subject to amortization	26	14	—
Fair value of other assets acquired	5	—	—
Net liabilities assumed	(8)	—	—
Deferred tax assets (liabilities)	—	(2)	—
Acquisitions, net of cash acquired	$ 108	24	—
Equity method investment acquired for non-cash consideration	$ 41	—	—
Cash paid for interest	$ 28	8	13
Cash paid for income taxes	$ 47	53	62

(4) Acquisitions and Dispositions

Acquisitions

During the year ended December 31, 2019, Tripadvisor completed three acquisitions of businesses aggregating total purchase price consideration of $110 million. Tripadvisor acquired 100% ownership of the following: SinglePlatform, a leading online content management and syndication platform company based in the U.S.; BookaTable, an online restaurant reservation and booking platform company based in the U.K.; and Restorando, an online restaurant reservation and booking platform company based in Argentina. Tripadvisor paid cash consideration of $108 million, net of $2 million of cash acquired.

During the year ended December 31, 2018, Tripadvisor acquired one business for a purchase price and net cash consideration of $23 million.

The following table presents the preliminary purchase price allocation for the 2019 acquisitions and the final purchase price allocation for the 2018 acquisition as recorded on our consolidated balance sheet:

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Goodwill (1)	$ 85	11	—
Intangible assets	26	14	—
Net tangible assets (liabilities)	(1)	—	—
Deferred tax liabilities, net	—	(2)	—
Total purchase price consideration	$ 110	23	—

(1) Goodwill of $50 million is not deductible for tax purposes.

Intangible assets acquired during 2019 were comprised of trademarks of $2 million, customer lists and supplier relationships of $10 million, subscriber relationships of $6 million and technology and other of $8 million. The overall weighted-average life of the intangible assets acquired in the purchase of these businesses was 6 years, and will be amortized on a straight-line basis over the estimated useful lives from acquisition date.

Intangible assets acquired during 2018 were comprised of supplier relationships of $6 million and technology and other of $8 million. The overall weighted-average life of the intangible assets acquired in the purchase of this business was 8 years, and will be amortized on a straight-line basis over the estimated useful lives from acquisition date.

Dispositions

On June 30, 2017, TripCo sold BuySeasons. The sale resulted in an $18 million loss, which is included in other, net in the accompanying consolidated statement of operations. BuySeasons is not presented as a discontinued operation as the sale did not represent a strategic shift that had a major effect on TripCo's operations and financial results. Included in other revenue in the accompanying consolidated statements of operations is $13 million for the year ended December 31, 2017, related to BuySeasons. Included in net earnings (loss) in the accompanying consolidated statements of operations are losses of $2 million for the year ended December 31, 2017, related to BuySeasons.

(5) Assets and Liabilities Measured at Fair Value

For assets and liabilities required to be reported at fair value, GAAP provides a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs, other than quoted market prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The Company does not have any recurring assets or liabilities measured at fair value that would be considered Level 3.

The Company's assets and liabilities measured at fair value are as follows:

	December 31, 2019			December 31, 2018		
Description	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
			amounts in millions			
Cash equivalents	$ 22	22	—	145	140	5
Marketable securities	$ —	—	—	15	—	15
Variable postpaid forward	$ —	—	—	20	—	20

On June 6, 2016, TripCo entered into a variable postpaid forward transaction (the "VPF") with a financial institution with respect to 7 million Tripadvisor common shares held by the Company with a forward floor price of $38.90 per share and a forward cap price of $98.96 per share. TripCo borrowed $259 million against the VPF on June 23, 2016 (see note 7). TripCo unwound and terminated the VPF during the fourth quarter of 2019. The proceeds from the unwind of the VPF, together with additional borrowings under the Margin Loan (defined in note 7) and a special dividend from Tripadvisor, were used to pay all outstanding borrowings against the VPF, which aggregated $270 million, including accrued interest (see note 7). The asset associated with this instrument was included in the other assets line item in the consolidated balance sheet at December 31, 2018. Changes in the fair value of the VPF were recognized in realized and unrealized gains (losses) on financial instruments in the consolidated statements of operations.

The fair value of Level 2 cash equivalents and marketable securities were obtained from pricing sources for identical or comparable instruments, rather than direct observations of quoted prices in active markets. Marketable securities are included in other current assets in the accompanying consolidated balance sheets. The fair value of Level 2 derivative assets were derived from a Black-Scholes-Merton model using observable market data as the significant inputs.

Other Financial Instruments

Other financial instruments not measured at fair value on a recurring basis include trade receivables, trade payables, accrued and other current liabilities, current portion of debt and long-term debt. With the exception of debt, the carrying amount approximates fair value due to the short maturity of these instruments as reported on our consolidated balance sheets. The carrying value of our debt bears interest at a variable rate and therefore is also considered to approximate fair value.

(6) Goodwill and Other Intangible Assets

Goodwill and Indefinite Lived Intangible Assets

Changes in the carrying amount of goodwill are as follows:

	Tripadvisor	Hotels, Media & Platform	Experiences & Dining	Corporate and other	Total
			(in millions)		
Balance at January 1, 2018	$ 2,445	-	-	-	2,445
Acquisition (1)	11	-	-	-	11
Other (2)	(13)	-	-	-	(13)
Balance at December 31, 2018	$ 2,443	-	-	-	2,443
Allocation to new segments (3)	(2,443)	1,923	250	270	-
Acquisition (1)	-	-	85	-	85
Other (2)	-	-	(2)	1	(1)
Balance at December 31, 2019	$ -	1,923	333	271	2,527

(1) Additions to goodwill relate to Tripadvisor's acquisitions (see note 4).
(2) Other changes are primarily due to foreign currency translation on goodwill.
(3) See note 14 for information regarding changes to our reportable segments in the first quarter of 2019.

As presented in the accompanying consolidated balance sheets, trademarks are the other significant indefinite lived intangible asset. See the disclosure below for information related to the 2019 and 2017 impairments of the Company's trademarks. Other fluctuations in the trademark balance from the prior year were due to the change in foreign exchange rates.

Intangible Assets subject to amortization

Intangible assets subject to amortization are comprised of the following:

	December 31, 2019				December 31, 2018		
	Weighted Average Remaining Useful Life	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
	in years			amounts in millions			
Customer relationships	2	$ 1,036	(910)	126	1,007	(838)	169
Other	3	552	(401)	151	466	(324)	142
Total		$ 1,588	(1,311)	277	1,473	(1,162)	311

Intangible assets are being amortized generally on an accelerated basis as reflected in amortization expense and in the future amortization table below.

Amortization expense was $139 million, $137 million and $188 million for the years ended December 31, 2019, 2018 and 2017, respectively.

The estimated future amortization expense for the next five years related to intangible assets with definite lives as of December 31, 2019, assuming no subsequent impairment of the underlying assets, is as follows (amounts in millions):

2020	$	92
2021	$	77
2022	$	35
2023	$	32
2024	$	29

Impairments

Due to deteriorations in revenue, impairment losses of $288 million and $527 million were recorded during the years ended December 31, 2019 and December 31, 2017, respectively, related to trademarks. The trademarks were related to the hotels, media & platform reporting unit in 2019 and the legacy hotels reporting unit in 2017, which is now included in the hotels, media & platform reporting unit. The fair value of the trademarks was determined using the relief from royalty method.

Due to certain marketplace factors impacting Tripadvisor's operating results, which led to a decline in Tripadvisor's stock price, an impairment loss of $1,271 million was recorded during the year ended December 31, 2017 related to goodwill, related to the legacy hotel reporting unit, which is now included in the hotels, media & platform reporting unit. The fair values of the reporting units were determined using a combination of market multiples (market approach) and discounted cash flow (income approach) calculations (Level 3). As of December 31, 2019, accumulated goodwill impairment losses for Tripadvisor totaled $1,271 million.

There were no impairments recognized for the year ended December 31, 2018.

(7) Debt

Outstanding debt at December 31, 2019 and 2018 is summarized as follows:

	December 31, 2019	December 31, 2018
	amounts in millions	
TripCo margin loans	$ 355	220
TripCo variable postpaid forward	—	267
Deferred financing costs	(2)	—
Total consolidated TripCo debt	$ 353	487
Less debt classified as current	—	(220)
Total long-term debt	$ 353	267

TripCo Margin Loans and Variable Postpaid Forward

In connection with the VPF transaction entered into on June 6, 2016, as described in note 5, TripCo borrowed $259 million against the VPF on June 23, 2016. TripCo unwound and terminated the VPF during the fourth quarter of 2019. The proceeds from the VPF, together with additional borrowings under the Margin Loan (defined below) and a special dividend from Tripadvisor were used to pay all outstanding borrowings against the VPF, which aggregated $270 million, including accrued interest.

On June 23, 2016, TripCo amended the terms of two margin loan agreements with respect to borrowings of $200 million. On November 7, 2017, pursuant to another amendment to the margin loan agreements, interest on the margin loans accrued at a rate of 2.4% plus LIBOR per year. During June of 2019, the outstanding borrowings of $200 million in principal and $22 million of paid in kind interest were repaid with proceeds from the Margin Loan (defined below). Based on the lenders involved in the original margin loan agreements and the Margin Loan, half of the repayment of the original margin loans was accounted for as a modification of debt and half was accounted for as an extinguishment of debt.

On June 10, 2019, a wholly owned subsidiary of TripCo ("TripSPV") entered into a margin loan agreement which included borrowings of $225 million under a term loan and an additional $25 million available under a delayed draw term loan (collectively, the "Margin Loan"). Borrowings under the Margin Loan bore interest at a rate of 2.0% plus LIBOR per annum and TripCo was required to pay a quarterly commitment fee of 0.75% per annum based on the daily unused amount of the Margin Loan. On November 13, 2019, TripSPV borrowed $15 million under the delayed draw term loan. Pursuant to an amendment to the Margin Loan on November 19, 2019, TripSPV borrowed an additional $75 million under the term loan, and, beginning on such date, interest on all outstanding amounts under the Margin Loan accrued at a rate of 3.0% plus LIBOR per annum. In addition, availability under the delayed draw term loan was limited to the $15 million already outstanding and the maturity of the Margin Loan was extended to November 19, 2022. Also pursuant to the November 19, 2019 amendment, on December 20, 2019, TripSPV borrowed an additional $33 million under the term loan. Effective as of December 20, 2019, borrowings under the Margin Loan bear interest at a rate of 3.225% per annum. Interest and commitment fees can be paid in kind or in cash at the election of TripCo. The Company expects that interest and commitment fees will be paid in kind and added to the principal amount of the Margin Loan.

Based on the lenders involved and terms of the Margin Loan, the November 19, 2019 amendment was treated as a modification of debt. Common Stock and Class B Common Stock of Tripadvisor were pledged as collateral pursuant to this agreement. The agreement contains language that indicates that TripSPV, as transferor of underlying shares as collateral, has the right to exercise all voting, consensual and other powers of ownership pertaining to the transferred shares for all purposes, provided that it will not vote the shares in any manner that would reasonably be expected to give rise to transfer or certain other restrictions. Similarly, the loan agreement indicates that no lender party shall have any voting rights with respect to the shares transferred, except to the extent that a lender party buys any shares in a sale or other disposition made pursuant to the terms of the loan agreement. The agreement also contains certain restrictions related to additional indebtedness and margin calls. The initial margin call would require the outstanding balance to be reduced to $157.5 million, plus 50% of the additional borrowings on December 20, 2019, if at any time the closing price per share of Tripadvisor common stock were to fall below a certain minimum value. The maturity date of the Margin Loan is November 19, 2022. The Margin Loan contains various affirmative and negative covenants that restrict the activities of the borrower. The loan agreement does not include any financial covenants.

During the year ended December 31, 2019, TripCo recorded $6 million of non-cash interest related to the Margin Loan.

As of December 31, 2019, the values of Tripadvisor's shares pledged as collateral pursuant to the Margin Loan, determined based on the trading price of the Common Stock and on an as-if converted basis for the Class B Common Stock, are as follows:

Pledged Collateral	Number of Shares Pledged as Collateral as of December 31, 2019	Share value as of December 31, 2019
	amounts in millions	
Common Stock	18.2	$ 552
Class B Common Stock	12.8	$ 389

Tripadvisor Credit Facilities

Tripadvisor is party to a credit agreement, with a group of lenders, which, among other things, provides for a $1.2 billion unsecured revolving credit facility (the "2015 Credit Facility") with a maturity date of May 12, 2022. Borrowings under the 2015 Credit Facility generally bear interest, at Tripadvisor's option, at a rate per annum equal to either (i) the Eurocurrency Borrowing rate, or the adjusted LIBOR for the interest period in effect for such borrowing; plus an applicable margin ranging from 1.25% to 2.00%, based on Tripadvisor's leverage ratio; or (ii) the Alternate Base Rate Borrowing, which is the greatest of (a) the Prime Rate in effect on such day, (b) the New York Fed Bank Rate in effect on such day plus 1/2 of 1.00% per annum and (c) the Adjusted LIBOR (or LIBOR multiplied by the Statutory Reserve Rate) for an interest period of one month plus 1.00%; in addition to an applicable margin ranging from 0.25% to 1.00%, based on Tripadvisor's leverage ratio. Tripadvisor may borrow from the 2015 Credit Facility in U.S. dollars, Euros and British pound. In addition, Tripadvisor's 2015 Credit Facility includes $15 million of borrowing capacity available for letters of credit and $40 million for Swing Line borrowings on same-day notice. As of December 31, 2019, Tripadvisor had issued $3 million of outstanding letters of credit under the 2015 Credit Facility. Tripadvisor is also required to pay a quarterly commitment fee, at an applicable rate ranging from 0.15% to 0.30%, on the daily unused portion of the revolving credit facility for each fiscal quarter and additional fees in connection with the issuance of letters of credit. As of December 31, 2019, Tripadvisor's unused revolver capacity was subject to a commitment fee of 0.15%, given Tripadvisor's leverage ratio.

As of both December 31, 2019 and 2018, Tripadvisor had no outstanding borrowings and approximately $1.2 billion of borrowing capacity under the 2015 Credit Facility. During the year ended December 31, 2018, Tripadvisor made a net repayment of $230 million on the 2015 Credit Facility. These net repayments were primarily made from a one-time cash repatriation of $325 million of foreign earnings to the United States during the first quarter of 2018.

There is no specific repayment date prior to the maturity date for any borrowings under this credit agreement. Tripadvisor may voluntarily repay any outstanding borrowing under the 2015 Credit Facility at any time without premium or penalty, other than customary breakage costs with respect to Eurocurrency loans. Additionally, Tripadvisor believes that the likelihood of the lender exercising any subjective acceleration rights, which would permit the lenders to accelerate repayment of any outstanding borrowings, is remote. As such, Tripadvisor classifies any borrowings under this facility as long-term debt. The 2015 Credit Facility contains a number of covenants that, among other things, restrict Tripadvisor's ability to: incur additional indebtedness, create liens, enter into sale and leaseback transactions, engage in mergers or consolidations, sell or transfer assets, pay dividends and distributions, make investments, loans or advances, prepay certain subordinated indebtedness, make certain acquisitions, engage in certain transactions with affiliates, amend material agreements governing certain subordinated indebtedness, and change its fiscal year. The 2015 Credit Facility also requires Tripadvisor to maintain a maximum leverage ratio and contains certain customary affirmative covenants and events of default, including a change of control. If an event of default occurs, the lenders under the 2015 Credit Facility will be entitled to take various actions, including the acceleration of all amounts due under the 2015 Credit Facility.

Tripadvisor's Chinese subsidiary is party to a $30 million, one-year revolving credit facility with the Bank of America (the "Tripadvisor Chinese Credit Facility—BOA") that is currently subject to review on a periodic basis with no specific expiration period. This credit facility generally bears interest at a rate based on the People's Bank of China benchmark, including certain adjustments, which may be made in accordance with market conditions at the time of borrowing. As of both December 31, 2019 and 2018, there were no outstanding borrowings under this credit facility.

Fair Value

Due to the primarily variable rate nature, TripCo believes that the carrying amount of its debt approximated fair value at December 31, 2019 and 2018.

Debt Covenants

As of December 31, 2019, each of the Company and Tripadvisor was in compliance with its respective debt covenants.

(8) Leases

In February 2016 and subsequently, the FASB issued new guidance which revises the accounting for leases ("ASC 842"). Under the new guidance, entities that lease assets are required to recognize assets and liabilities on the balance sheet related to the rights and obligations created by those leases regardless of whether they are classified as finance or operating leases. In addition, new disclosures are required to meet the objective of enabling users of the financial statements to better understand the amount, timing, and uncertainty of cash flows arising from leases. We adopted ASC 842 on January 1, 2019 and elected the optional transition method that allowed for a cumulative-effect adjustment in the period of adoption. Results for reporting periods beginning after January 1, 2019 are presented under ASC 842, while prior period amounts were not adjusted and continue to be reported under the accounting standards in effect for those periods.

We elected the following practical expedients available in transition upon adoption of ASC 842 and accounting policy updates: 1) the "practical expedients package of three", which allows us to not reassess the following as of the adoption date: a) whether any expired or existing contracts are or contain a lease, b) the lease classification of any expired or existing leases; and c) the accounting treatment for initial direct costs for existing leases; 2) the "short-term lease recognition exemption", which allows entities to forego recognition of right-of-use ("ROU") assets and lease liabilities for leases with a lease term of twelve months or less and which also do not include an option to renew the lease term that the entity is reasonably certain to exercise; 3) elect by asset class as an accounting policy, to combine lease and non-lease components as a single component and subsequently account for the combined single component as the lease component; and 4) apply the portfolio approach to similar types of leases where the Company does not reasonably expect the outcome to differ materially from applying the new guidance to individual leases.

Tripadvisor's lease contracts contain both lease and non-lease components. Tripadvisor accounts separately for the lease and non-lease components of office space leases and certain other leases, such as data center leases. However, for certain categories of equipment leases, such as network equipment and others, Tripadvisor accounts for the lease and non-lease components as a single lease component. Additionally, for certain equipment leases that have similar characteristics, Tripadvisor applies a portfolio approach to effectively account for operating lease ROU assets and lease liabilities, hence Tripadvisor does not expect the outcome to differ materially from applying the new guidance to individual leases.

The adoption of ASC 842 did not have a material impact to our consolidated statement of operations and statement of cash flows during the year ended December 31, 2019. The effect of the adoption on our consolidated balance sheet as of January 1, 2019 from the adoption of ASC 842 is as follows:

		Balance at December 31, 2018	Adjustments due to ASC 842	Balance at January 1, 2019
			in millions	
Assets:				
Other current assets	$	48	(3)	45
Property and equipment, net	$	154	8	162
Other assets, at cost, net of accumulated amortization	$	118	73	191
Liabilities:				
Accrued liabilities and other current liabilities	$	151	21	172
Deferred income tax liabilities	$	325	1	326
Other liabilities	$	283	53	336
Retained earnings	$	133	1	134
Noncontrolling interests in equity of subsidiaries	$	3,400	2	3,402

Operating Leases

Tripadvisor leases office space in a number of countries around the world under non-cancelable lease agreements. Tripadvisor's office space leases, exclusive of its Headquarters Lease, are operating leases. Operating lease ROU assets and liabilities are recognized at the lease commencement date, or the date the lessor makes the leased asset available for use, based on the present value of the lease payments over the lease term using Tripadvisor's estimated incremental borrowing rate.

Tripadvisor's office space operating leases expire at various dates with the latest maturity in June 2027. Certain leases include options to extend the lease term for up to 6 years and/or terminate the leases within 1 year, which Tripadvisor includes in the lease terms if it is reasonably certain to exercise these options.

Finance Lease

In June 2013, Tripadvisor entered into its Headquarters Lease and pursuant to that lease, the landlord built an approximately 280,000 square foot rental building in Needham, Massachusetts (the "Premises") and leased the Premises to Tripadvisor as its new corporate headquarters for an initial term of 15 years and 7 months or through December 2030. Tripadvisor also has an option to extend the term of the Headquarters Lease for two consecutive terms of five years each. As required under the transition guidance in ASC 842, Tripadvisor assessed the lease classification for its Headquarters Lease and concluded it should be classified and accounted for as a finance lease upon adoption on January 1, 2019. Accordingly, on January 1, 2019, Tripadvisor derecognized the previous asset and liability associated with the Headquarters Lease's previous build-to-suit designation, with the exception of prepaid rent, as discussed below, and recognized an ROU asset and a finance lease liability of $114 million and $88 million, respectively, on its consolidated balance sheet. The difference between the finance lease ROU asset and finance lease liability consists of a net asset of

$26 million, primarily related to structural improvements paid by Tripadvisor, net of tenant incentives and accumulated amortization, which is classified as prepaid rent under the new guidance.

Finance lease ROU assets and finance lease liabilities commencing after January 1, 2019 are recognized similar to an operating lease, at the lease commencement date or the date the lessor makes the leased asset available for use. Finance lease ROU assets are generally amortized on a straight-line basis over the lease term, and the carrying amount of the finance lease liabilities are (1) accreted to reflect interest using the incremental borrowing rate if the rate implicit in the lease is not readily determinable, and (2) reduced to reflect lease payments made during the period. Amortization expense for finance lease ROU assets and interest accretion on finance lease liabilities are recorded to depreciation and interest expense, respectively, in the consolidated statements of operations.

The components of lease expense during the year ended December 31, 2019 were as follows:

	Year ended December 31, 2019	
	in millions	
Operating lease cost (1)	$	24
Finance lease cost:		
Amortization of right-of-use assets (2)	$	9
Interest on lease liabilities (3)		4
Total finance lease cost	$	13
Sublease income (1)		(3)
Total lease cost, net	$	34

(1) Included in operating expense, including stock-based compensation in the consolidated statement of operations.
(2) Included in depreciation expense in the consolidated statement of operations.
(3) Included in interest expense in the consolidated statement of operations.

For the years ended December 31, 2018 and 2017, TripCo recorded rental expense of $17 million and $19 million, respectively.

Supplemental balance sheet information related to leases is as follows:

	December 31, 2019 in millions
Operating leases:	
Operating lease right-of-use assets (1)	$ 74
Current operating lease liabilities (2)	$ 20
Operating lease liabilities (3)	64
Total operating lease liabilities	$ 84
Finance Lease:	
Finance lease right-of-use assets (4)	$ 105
Current finance lease liabilities (2)	$ 5
Finance lease liabilities (3)	78
Total finance lease liabilities	$ 83

(1) Included in other assets, at cost, net of accumulated amortization in the consolidated balance sheet.
(2) Included in accrued liabilities and other current liabilities in the consolidated balance sheet.
(3) Included in other liabilities in the consolidated balance sheet.
(4) Included in property and equipment, net in the consolidated balance sheet.

Additional information related to leases is as follows for the periods presented:

	Year ended December 31, 2019 in millions
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash outflows from operating leases	$ 26
Operating cash outflows from finance lease	$ 4
Financing cash outflows from finance lease	$ 5
Right-of-use assets obtained in exchange for lease liabilities:	
Operating leases	$ 106
Finance lease	$ 88

	As of December 31, 2019
Weighted-average remaining lease term	
Operating leases	4.4 years
Finance lease	11.0 years
Weighted-average discount rate	
Operating leases	4.11%
Finance lease	4.49%

Future lease payments under non-cancellable leases as of December 31, 2019 were as follows:

	Operating Leases	Finance Lease
	in millions	
2020	$ 23	9
2021	23	10
2022	19	10
2023	13	10
2024	8	10
Thereafter	6	57
Total future lease payments	$ 92	106
Less: imputed interest	(8)	(23)
Total	$ 84	83

As of December 31, 2019, we did not have any additional operating or finance leases that have not yet commenced but that create significant rights and obligations.

(9) Income Taxes

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act made broad and complex changes to the U.S. tax code, the most significant of which was a reduction to the U.S. federal corporate tax rate from 35 percent to 21 percent. The Company reflected the income tax effects of those aspects of the Tax Act for which the accounting was known as of December 31, 2017 and made immaterial revisions to such amounts during the allowed one year measurement period. As of December 31, 2018, the Company had completed its analysis of the tax effects of the Tax Act.

The corporate tax rate reduction was applied to our inventory of deferred tax assets and deferred tax liabilities, which resulted in the net tax benefit in the period ending December 31, 2017. Additionally, we are subject to the one-time transition tax on certain unrepatriated earnings on previously untaxed accumulated and current earnings and profits.

Income tax benefit (expense) consists of:

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Current:			
Federal	$ (31)	(39)	(92)
State and local	(6)	(12)	(2)
Foreign	(26)	(14)	(6)
	$ (63)	(65)	(100)
Deferred:			
Federal	$ 27	14	288
State and local	20	(5)	30
Foreign	32	(1)	11
	79	8	329
Income tax benefit (expense)	$ 16	(57)	229

The following table presents a summary of our domestic and foreign earnings (losses) from continuing operations before income taxes:

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Domestic	$ (178)	3	(1,720)
Foreign	46	45	(90)
Total	$ (132)	48	(1,810)

Income tax benefit (expense) differs from the amounts computed by applying the U.S. federal income tax rate of 21% for the years ended December 31, 2019 and 2018 and 35% for the year ended December 31, 2017 as a result of the following:

	Years ended December 31,		
	2019	**2018**	**2017**
	amounts in millions		
Computed expected tax benefits (expense)	$ 28	(10)	634
State and local taxes, net of federal income taxes	2	(14)	17
Foreign taxes, net of foreign tax credits	13	11	2
Transition tax	—	—	(67)
Change in tax rate due to Tax Act	—	—	139
Taxable dividend net of dividends received deduction	(13)	—	—
Basis difference in consolidated subsidiary	22	(17)	(8)
Change in valuation allowance	(11)	(4)	(27)
Change in unrecognized tax benefits	(25)	(12)	(11)
Federal tax credits	11	9	8
Stock-based compensation	(4)	(8)	(12)
Impairment of nondeductible goodwill	—	—	(445)
Other	(7)	(12)	(1)
Income tax (expense) benefit	$ 16	(57)	229

During 2019, the Company recognized additional tax expense for changes in unrecognized tax benefits and dividends from Tripadvisor not recognized for book purposes, net of a dividends received deduction. These expense items were partially offset by a net income tax benefit from earnings in foreign jurisdictions taxed at rates other than the 21% U.S. federal tax rate and federal income tax credits.

During 2018, the Company recognized additional tax expense related to the recognition of deferred tax liabilities for basis differences in the stock of a consolidated subsidiary and changes in unrecognized tax benefits. These expense items were partially offset by a net income tax benefit from earnings in foreign jurisdictions taxed at rates other than the 21% U.S. federal tax rate.

During 2017, the Company recognized an impairment loss on its goodwill that is not deductible for tax purposes. In connection with the initial analysis of the impact of the Tax Act, the Company estimated a one-time increase in tax expense of $67 million on the deemed repatriation of undistributed earnings of non-U.S. shareholders as a result of the Tax Act. In addition, the Company recorded a discrete net tax benefit of $139 million in the period ending December 31, 2017. This net benefit primarily consists of a net benefit for the corporate rate reduction.

The tax effects of temporary differences and tax attributes that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities are presented below:

	December 31, 2019	December 31, 2018
	amounts in millions	
Deferred tax assets:		
Tax loss and credit carryforwards	$ 89	77
Stock-based compensation	53	48
Lease financing obligation	24	22
Other	(23)	78
Total deferred tax assets	143	225
Less: valuation allowance	(80)	(60)
Net deferred tax assets	63	165
Deferred tax liabilities:		
Intangible assets	(297)	(387)
Investments	(17)	(41)
Other	3	(62)
Total deferred tax liabilities	(311)	(490)
Net deferred tax liability	$ (248)	(325)

During the year ended December 31, 2019, there was an $11 million increase in the Company's valuation allowance that affected tax expense and a $9 million increase related to acquisitions in 2019.

As a result of the Tax Act, foreign earnings may now generally be repatriated back to the U.S. without incurring U.S. federal income tax. Historically, Tripadvisor had asserted its intention to indefinitely reinvest the cumulative undistributed earnings of its foreign subsidiaries. In response to increased cash requirements in the U.S. related to Tripadvisor's declaration of a special cash dividend and other strategic initiatives during the fourth quarter of 2019, Tripadvisor determined it no longer considers $501 million of these foreign earnings to be indefinitely reinvested. During the year ended December 31, 2019, Tripadvisor has recorded a deferred tax liability of $1 million for the U.S. state income tax and foreign withholding tax liabilities on the cumulative undistributed foreign earnings that are not indefinitely invested. Tripadvisor intends to indefinitely reinvest $118 million of its foreign earnings in its non-U.S. subsidiaries. Determination of the amount of unrecognized deferred income tax liability related to these earnings is not practicable.

At December 31, 2019, the Company has a deferred tax asset of $89 million for federal, state, and foreign net operating losses ("NOLs"), interest expense carryforwards and tax credit carryforwards. Of this amount, $72 million is recorded at Tripadvisor. If not utilized to reduce income tax liabilities at Tripadvisor in future periods, these loss carryforwards and tax credits will expire at various times between 2020 and 2038. The remaining deferred tax asset of $17 million relates to federal and state net operating loss carryforwards recorded at TripCo. If not utilized to reduce income tax liabilities at TripCo in future periods, these net operating loss carryforwards will expire at various times between 2023 and 2037. These carryforwards recorded at Tripadvisor and TripCo are expected to be utilized prior to expiration, except for $80 million of NOLs, interest expense carryforwards, and tax credit carryforwards, which based on current projections may expire unused.

A reconciliation of unrecognized tax benefits is as follows (amounts in millions):

	Years ended December 31,		
	2019	2018	2017
Balance at beginning of year	$ 136	123	105
Additions based on tax positions related to the current year	11	11	17
Additions for tax positions of prior years	1	2	1
Reductions for tax positions of prior years	(8)	—	—
Balance at end of year	$ 140	136	123

As of December 31, 2019, 2018 and 2017, the Company had recorded tax reserves of $140 million, $136 million and $123 million, respectively, related to unrecognized tax benefits for uncertain tax positions, which is classified as long-term and included in other long-term liabilities on the consolidated balance sheets. Prior to the acquisition of a controlling interest in Tripadvisor in December 2012, the Company did not have any unrecognized tax benefits for uncertain tax positions. If the unrecognized tax benefits were to be recognized for financial statement purposes, approximately $82 million, $87 million and $78 million for the years ended December 31, 2019, 2018 and 2017, respectively, would be reflected in the Company's tax expense and affect its effective tax rate. The Company's estimate of its unrecognized tax benefits related to uncertain tax positions requires a high degree of judgment. The Company anticipates that the liability for unrecognized tax benefits could decrease by up to $12 million within the next twelve months due to the settlement of examinations of issues with tax authorities.

As of December 31, 2019 and 2018, the Company had recorded approximately $29 million and $20 million, respectively, of accrued interest and penalties related to uncertain tax positions.

As of December 31, 2019, TripCo's tax years prior to 2015 are closed for federal income tax purposes, and the Internal Revenue Service ("IRS") has completed its examination of TripCo's 2016 and 2017 tax years. TripCo's 2018 and 2019 tax years are being examined currently as part of the IRS's Compliance Assurance Process program. Because TripCo's ownership of Tripadvisor is less than the required 80%, Tripadvisor does not consolidate with TripCo for federal income tax purposes.

Prior to December 2011, Tripadvisor was included in the consolidated federal income tax returns filed by Expedia. Expedia's 2009, 2010 and short-period 2011 tax years are currently being audited by the IRS. Tripadvisor and Expedia are parties to a tax sharing agreement whereby Tripadvisor is generally required to indemnify Expedia for any taxes resulting from the Expedia spin-off (and any related interest, penalties, legal and professional fees, and all costs and damages associated with related stockholder litigation or controversies) to the extent such amounts resulted from (i) any act or failure to act by Tripadvisor described in the covenants in the tax sharing agreement, (ii) any acquisition of Tripadvisor's equity securities or assets or those of a member of its group, or (iii) any failure of the representations with respect to Tripadvisor or any member of its group to be true or any breach by Tripadvisor or any member of its group of any covenant, in each case, which is contained in the separation documents or in the documents relating to the IRS private letter ruling and/or the opinion of counsel.

Tripadvisor is undergoing an audit by the IRS for the short-period 2011, 2012-2016 tax years under an employment tax audit by the IRS for the 2013 and 2014 tax years. Various states are currently examining Tripadvisor's prior year's state income tax returns. Tripadvisor is no longer subject to tax examinations by tax authorities for years prior to 2009. As of December 31, 2019, no material assessments have resulted, except as noted below.

In January 2017 and April 2019, as part of Expedia's IRS audit, Tripadvisor received Notices of Proposed Adjustment from the IRS for the 2009, 2010 and 2011 tax years. Subsequently, in September 2019, as part of Tripadvisor's standalone audit, Tripadvisor received Notices of Proposed Adjustment from the IRS for the 2012 and 2013 tax years. These proposed adjustments are related to certain transfer pricing arrangements with Tripadvisor's foreign subsidiaries, and would result in an increase to Tripadvisor's worldwide income tax expense in an estimated range of $35 million to $40 million at the close of the audit if the IRS prevails, after consideration of competent authority relief and transition tax, exclusive of interest and penalties. Tripadvisor disagrees with the proposed adjustments and intends to defend its position through applicable administrative and, if necessary, judicial remedies. Tripadvisor's policy is to review and update tax reserves as facts and circumstances change. Based on Tripadvisor's interpretation of the regulations and available case law, it believes the position taken with regard to transfer pricing with its foreign subsidiaries is sustainable. In addition to the risk of additional tax for 2009 through 2013 transactions, if the IRS were to seek transfer pricing adjustments of a similar nature for transactions in subsequent years, Tripadvisor would be subject to significant additional tax liabilities.

(10) Stockholders' Equity

Preferred Stock

TripCo's preferred stock is issuable, from time to time, with such powers, designations, preferences and relative, participating, optional or other rights and qualifications, limitations or restrictions thereof, as shall be stated and expressed in a resolution or resolutions providing for the issue of such preferred stock adopted by TripCo's Board of Directors. As of December 31, 2019, no shares of preferred stock were issued.

Common Stock

Series A common stock entitles the holders to one vote per share, Series B common stock entitles the holders to ten votes per share and Series C common stock, except as otherwise required by applicable law, entitles the holder to no voting rights. All series of TripCo common stock participate on an equal basis with respect to dividends and distributions.

Subsidiary Purchases of Common Stock

On January 25, 2017, Tripadvisor's Board of Directors authorized the repurchase of $250 million of its shares of common stock under a share repurchase program. During the year ended December 31, 2017, Tripadvisor repurchased a total of 6,079,003 shares of its outstanding common stock for $250 million in the aggregate, and completed this share repurchase program.

On January 31, 2018, Tripadvisor's Board of Directors authorized an additional repurchase of up to $250 million of its shares of common stock under a share repurchase program. This share repurchase program has no expiration date but may be suspended or terminated by Tripadvisor's Board of Directors at any time. During the year ended December 31, 2018, Tripadvisor repurchased 2,582,198 shares of its outstanding common stock for $100 million in the aggregate.

On November 1, 2019, Tripadvisor's Board of Directors authorized the repurchase of an additional $100 million in shares of its common stock under its existing share repurchase program, which increased the amount available under this share repurchase program to $250 million. During the year ended December 31, 2019, Tripadvisor repurchased 2,059,846 shares of its outstanding common stock for $60 million in the aggregate. As of December 31, 2019, Tripadvisor had approximately $190 million remaining available to repurchase shares of its common stock under this share repurchase program.

Subsidiary Dividends

On November 1, 2019, Tripadvisor's Board of Directors declared a special cash dividend of $3.50 per share, or approximately $488 million in the aggregate. The dividend was payable on December 4, 2019 to stockholders of record on November 20, 2019. TripCo's share of the dividend was $108 million based on our ownership in Tripadvisor. During the years ended December 31, 2018 and 2017, Tripadvisor's Board of Directors did not declare any dividends on its common stock.

Any determination by Tripadvisor to pay dividends in the future will be at the discretion of Tripadvisor's Board of Directors and will depend on its results of operations, earnings, capital requirements, financial condition, future prospects, contractual restrictions and other factors deemed relevant by Tripadvisor's Board of Directors. Tripadvisor's ability to pay dividends is also limited by the terms of the 2015 Credit Facility. In connection with the declaration of such dividends, Tripadvisor's non-vested RSUs are entitled to dividend equivalents, which will be payable to the holder subject to, and upon vesting of, the underlying awards. Tripadvisor's outstanding stock options are not entitled to dividend or dividend equivalents.

(11) Stock-Based Compensation

TripCo Incentive Plans

Pursuant to the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (the "2019 Plan"), the Company may grant Awards in respect of a maximum of 5.0 million shares of TripCo common stock. Awards generally vest over 1-5 years and have a term of 7-10 years. TripCo issues new shares upon exercise of equity awards.

TripCo – Grants

During the year ended December 31, 2019, TripCo granted 27 thousand options to purchase shares of Series B TripCo common stock, 35 thousand performance-based restricted stock units ("RSUs") of Series B TripCo common stock and 320 thousand time-based RSUs of Series B TripCo common stock to our CEO. Such options had a grant-date fair value ("GDFV") of $6.41 per share. The performance-based RSUs had a GDFV of $14.17 per share and the time-based RSUs had a GDFV of $7.23 per share at the time they were granted. The options vested on December 31, 2019, and the performance-based RSUs cliff vest one year from the month of grant, subject to the satisfaction of certain performance objectives. Performance objectives, which are subjective, are considered in determining the timing and amount of the compensation expense recognized. When the satisfaction of the performance objectives becomes probable, the Company records compensation expense. The probability of satisfying the performance objectives is assessed at the end of each reporting period. The time-based RSUs cliff vest on December 15, 2023, and represent the first upfront grant related to the CEO's new employment agreement. See discussion in note 1 regarding the new compensation agreement with TripCo's CEO.

Also during the year ended December 31, 2019, TripCo granted to its employees 73 thousand options to purchase shares of Series A TripCo common stock. Such options had a weighted average GDFV of $3.53 and vest between three and five years.

During the years ended December 31, 2019, 2018 and 2017, TripCo granted 79 thousand, 59 thousand and 105 thousand options, respectively, to purchase shares of Series A TripCo common stock to its non-employee directors. Such options had a weighted average GDFV of $3.42, $8.83 and $4.11 per share, respectively, and cliff vest over a 1-year vesting period.

There were no exercises, forfeitures or cancellations of Series B TripCo common stock during the year ended December 31, 2019.

The Company has calculated the GDFV for all of its equity classified awards and any subsequent remeasurement of its liability classified awards using the Black-Scholes-Merton Model. The Company estimates the expected term of the Awards based on historical exercise and forfeiture data. For grants made in 2019, 2018 and 2017, the range of expected terms was 4.8 years to 6.3 years. The volatility used in the calculation for Awards is based on the historical volatility of TripCo common stock. For grants made in 2019, 2018 and 2017, the range of volatilities was 49.1% to 54.2%. The Company uses a zero dividend rate and the risk-free rate for Treasury Bonds with a term similar to that of the subject options. The Company recognizes the cost of an Award over the period during which the employee is required to provide service (usually the vesting period of the Award).

TripCo - Outstanding Awards

The following tables present the number and weighted average exercise price ("WAEP") of Awards to purchase TripCo common stock granted to certain officers, employees and directors of the Company, as well as the weighted average remaining life and aggregate intrinsic value of the Awards.

	Series A	WAEP	Weighted average remaining contractual life	Aggregate intrinsic value
	in thousands		in years	in millions
Outstanding at January 1, 2019	570	$ 15.40		
Granted	151	$ 7.20		
Exercised	—	$ —		
Forfeited/Cancelled	(4)	$ 17.19		
Outstanding at December 31, 2019	717	$ 13.65	3.3	$ —
Exercisable at December 31, 2019	565	$ 15.38	2.3	$ —

	Series B	WAEP	Weighted average remaining contractual life	Aggregate intrinsic value
	in thousands		in years	in millions
Outstanding at January 1, 2019	1,797	$ 27.83		
Granted	27	$ 14.28		
Exercised	—	$ —		
Forfeited/Cancelled	—	$ —		
Outstanding at December 31, 2019	1,824	$ 27.63	5.0	$ —
Exercisable at December 31, 2019	1,824	$ 27.63	5.0	$ —

As of December 31, 2019, the total unrecognized compensation cost related to unvested equity Awards was $485 thousand. Such amount will be recognized in the Company's statements of operations over a weighted average period of approximately two years.

As of December 31, 2019, TripCo reserved 2.5 million shares of Series A and Series B TripCo common stock for issuance under exercise privileges of outstanding stock Awards.

TripCo - Exercises

The aggregate intrinsic value of all TripCo options exercised during the years ended December 31, 2018 and 2017 was $117 thousand and $478 thousand, respectively. No TripCo options were exercised in 2019.

TripCo — Restricted Stock

The aggregate fair value of all restricted shares of TripCo common stock that vested during the years ended December 31, 2019, 2018 and 2017 was $159 thousand, $9 thousand and $13 thousand, respectively.

As of December 31, 2019, TripCo had approximately 402 thousand unvested restricted shares of Series A and Series B TripCo common stock held by certain directors, officers and employees of the Company with a weighted average GDFV of $8.26 per share.

Tripadvisor Equity Grant Awards

On June 21, 2018, Tripadvisor's stockholders approved the 2018 Stock and Annual Incentive Plan (the "2018 Plan") primarily for the purpose of providing sufficient reserves of shares of Tripadvisor's common stock to ensure its ability to continue to provide new hires, employees and management with equity incentives. The number of shares reserved and available for issuance under the 2018 Plan is 6,000,000 plus the number of shares available for issuance (and not subject to outstanding awards) under the Amended and Restated 2011 Stock and Annual Incentive Plan (the "2011 Plan"), as of the effective date of the 2018 Plan and no additional awards will be granted under the 2011 Plan. The 2018 Plan provides for the grant of stock options, stock appreciation rights, restricted stock, RSUs, and other stock-based awards to Tripadvisor's directors, officers, employees and consultants. Grants were valued using a volatility of 42.1% and the applicable risk free rate for an expected term of 5.2 years for the year ended December 31, 2019, volatility of 41.9% and the applicable risk free rate for an expected term of 5.5 years for the year ended December 31, 2018 and a volatility of 42.1% and the applicable risk free rate for an expected term of 6.1 years for the year ended December 31, 2017.

Performance-based stock options and RSUs vest upon achievement of certain Tripadvisor company-based performance conditions and a requisite service period. On the date of grant, the fair value of stock options is calculated using a Black-Scholes-Merton model, which incorporates assumptions to value stock-based awards, including the risk-free rate of return, expected volatility, expected term and expected dividend yield. If, upon grant, Tripadvisor assesses the achievement of performance targets as probable, compensation expense is recorded for the awards over the estimated performance period on a straight-line basis. At each reporting period, the probability of achieving the performance targets and the performance period required to meet those targets is assessed. To the extent actual results or updated estimates differ from Tripadvisor's estimates, the cumulative effect on current and prior periods of those changes will be recorded in the period estimates are revised, or the change in estimate will be applied prospectively depending on whether the change affects the estimate of total compensation cost to be recognized or merely affects the period over which compensation cost is to be recognized.

The following table presents the number, WAEP and aggregate intrinsic value of stock options to purchase Tripadvisor common stock granted under their 2011 Plan and 2018 Plan:

	Number of Options in thousands	WAEP	Weighted Average Remaining Contractual Life in years	Aggregate Intrinsic Value in millions
Outstanding at January 1, 2019	6,041	$ 54.00		
Granted	752	$ 48.30		
Exercised	(195)	$ 42.17		
Cancelled or expired	(581)	$ 56.97		
Outstanding at December 31, 2019	6,017	$ 50.27	5.9	$ —
Exercisable at December 31, 2019	3,425	$ 57.27	4.2	$ —

The weighted average GDFV of service based stock options under their 2011 Plan and 2018 Plan was $21.25 for the year ended December 31, 2019. These stock options generally have a term of ten years from the date of grant and typically vest equally over a four year requisite service period. As of December 31, 2019, the total number of shares reserved for future stock-based awards under the 2018 Plan is approximately 10.1 million shares. Tripadvisor related stock-based compensation for the year ended December 31, 2019 was approximately $124 million. As of December 31, 2019, the total unrecognized compensation cost related to unvested Tripadvisor stock options was approximately $32 million and will be recognized over a weighted average period of approximately 2.6 years.

Restricted Stock Units and Market-based Restricted Stock Units

RSUs are stock awards that are granted to employees entitling the holder to shares of Tripadvisor common stock as the award vests. RSUs are measured at fair value based on the quoted price of Tripadvisor common stock at the date of grant. The fair value of RSUs is amortized as stock-based compensation expense over the vesting term on a straight-line basis, with the amount of compensation expense recognized at any date at least equaling the portion of the GDFV of the award that is vested at that date.

Tripadvisor issues market-based performance restricted stock units ("MSUs"), which vest upon achievement of specified levels of market conditions. The fair value of the MSUs is estimated at the date of grant using a Monte-Carlo simulation model. The probabilities of the actual number of market-based performance units expected to vest and resultant actual number of shares of Tripadvisor common stock expected to be awarded are reflected in the grant date fair values; therefore, the compensation expense for these awards will be recognized assuming the requisite service period is rendered and are not adjusted based on the actual number of awards that ultimately vest.

During the year ended December 31, 2019, Tripadvisor granted approximately 5 million of primarily service-based RSUs and market-based MSUs under the 2018 Plan. The RSUs' fair value was measured based on the quoted price of Tripadvisor common stock at the date of grant. As the MSUs provide for vesting based upon Tripadvisor's total shareholder return, or "TSR," performance, the potential outcomes of future stock prices and TSR of Tripadvisor and the Nasdaq Composite Total Return Index, was used to calculate the GDFV of these awards. The weighted average GDFV for RSUs and MSUs granted during 2019 was $47.61 per share. As of December 31, 2019, the total unrecognized compensation cost related to 9 million unvested Tripadvisor RSUs and MSUs outstanding was approximately $248 million which will be recognized over the remaining vesting term of approximately 2.5 years.

(12) Employee Benefit Plans

Tripadvisor sponsors a 401(k) plan and makes matching contributions to the plans based on a percentage of the amount contributed by employees. Employer cash contributions related to Tripadvisor were $14 million, $13 million and $9 million for the years ended December 31, 2019, 2018 and 2017, respectively.

(13) Commitments and Contingencies

Off-Balance Sheet Arrangements

TripCo did not have any other off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the Company's financial condition, results of operations, liquidity, capital expenditures or capital resources.

Litigation

In the ordinary course of business, the Company and its subsidiaries are parties to legal proceedings and claims arising out of our operations. These matters may relate to claims involving patent and intellectual property rights (including alleged infringement of third-party intellectual property rights), tax matters (including value-added, excise, transient occupancy and accommodation taxes), regulatory compliance (including competition and consumer matters), defamation and other claims. Although it is reasonably possible that the Company may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying consolidated financial statements.

(14) Segment Information

TripCo, through its ownership interests in Tripadvisor, is primarily engaged in the online commerce industries. TripCo identifies its reportable segments as (A) those operating segments that represent 10% or more of its consolidated annual revenue, annual adjusted operating income before depreciation and amortization ("Adjusted OIBDA") or total assets and (B) those equity method affiliates whose share of earnings represent 10% or more of TripCo's annual pre-tax earnings.

During the first quarter of 2019, as part of a continuous review of our business, we realigned our reportable segment information which our chief operating decision maker, or CODM, regularly assesses to evaluate performance for operating decision-making purposes, including evaluation and allocation of resources.

The revised segment reporting structure includes the following reportable segments: (1) Hotels, Media & Platform; and (2) Experiences & Dining. All prior period segment disclosure information has been reclassified to conform to the current reporting structure. These reclassifications had no effect on our consolidated financial statements in any period.

TripCo evaluates performance and makes decisions about allocating resources to its operating segments based on financial measures such as revenue, Adjusted OIBDA, gross margin, and revenue or sales per customer equivalent. In addition, TripCo reviews nonfinancial measures such as unique website visitors, conversion rates and active customers, as appropriate.

Beginning in the first quarter of 2019, we have identified the following as reportable segments:

- Hotels, Media & Platform – includes the following revenue sources: (1) Tripadvisor-branded hotels revenue – primarily consisting of Tripadvisor-branded hotel metasearch auction-based revenue, transaction revenue from Tripadvisor's hotel instant booking feature, subscription-based advertising and hotel sponsored placements revenue; and (2) Tripadvisor-branded display and platform revenue – consisting of Tripadvisor-branded display-based revenue. All direct general and administrative costs are included in the applicable business, however, all corporate general and administrative costs are included in the Hotels, Media & Platform reportable segment. In addition, the Hotels, Media & Platform reportable segment includes all Tripadvisor-related brand advertising expenses (primarily television advertising) and technical infrastructure and other costs supporting the Tripadvisor platform.

- Experiences & Dining – Tripadvisor provides information and services for consumers to research, book and experience activities and attractions in popular travel destinations primarily through Viator, Tripadvisor's dedicated Experiences business, and on Tripadvisor's website and mobile apps. Tripadvisor generates commissions for each booking transaction it facilitates through its online reservation system. Tripadvisor also provides information and services for consumers to research and book restaurants in popular travel destinations through its dedicated restaurant reservations business, TheFork, and on Tripadvisor-branded websites and mobile apps.

Performance Measures

For segment reporting purposes, TripCo defines Adjusted OIBDA as revenue less operating expenses, and selling, general and administrative expenses (excluding stock-based compensation and specifically identified non-recurring transactions). TripCo believes this measure is an important indicator of the operational strength and performance of its businesses, by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows management to view operating results, and perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. This measure of performance excludes depreciation and amortization, stock-based compensation, separately reported litigation settlements and restructuring and impairment charges that are included in the measurement of operating income pursuant to GAAP. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with GAAP. TripCo generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current prices.

Revenue and Adjusted OIBDA are summarized as follows:

	Years ended December 31,					
	2019		2018		2017	
	Revenue	Adjusted OIBDA	Revenue	Adjusted OIBDA	Revenue	Adjusted OIBDA
	amounts in millions					
Hotels, Media & Platform	$ 939	378	1,001	329	1,022	267
Experiences & Dining	456	5	372	48	264	23
Corporate and other	165	47	242	39	283	32
Consolidated TripCo	$ 1,560	430	1,615	416	1,569	322

In addition, we do not report assets, capital expenditures and related depreciation expense by segment as our CODM does not use this information to evaluate operating segments. Accordingly, we do not regularly provide such information by segment to our CODM.

Revenue by Geographic Area

The Company measures its geographic revenue information to the physical location of the Tripadvisor subsidiary which generates the revenue, which is consistent with the measurement of long-lived physical assets, or property and equipment, net.

	December 31,		
	2019	2018	2017
	amounts in millions		
United States	$ 821	835	815
United Kingdom	466	508	530
Other countries	273	272	224
Consolidated TripCo	$ 1,560	1,615	1,569

Long-lived Assets by Geographic Area

	December 31,	
	2019	2018
	amounts in millions	
United States	$ 137	137
Other countries	18	17
Consolidated TripCo	$ 155	154

The following table provides a reconciliation of Adjusted OIBDA to operating income and earnings (loss) before income taxes:

	Years ended December 31,		
	2019	2018	2017
	amounts in millions		
Adjusted OIBDA	$ 430	416	322
Restructuring and related reorganization costs	(1)	—	—
Legal settlement	—	(5)	—
Stock-based compensation	(131)	(123)	(103)
Depreciation and amortization	(169)	(160)	(213)
Impairment of intangible assets	(288)	—	(1,798)
Operating income (loss)	(159)	128	(1,792)
Interest expense	(22)	(26)	(25)
Realized and unrealized gains (losses) on financial instruments, net	36	(59)	24
Other, net	13	5	(17)
Earnings (loss) before income taxes	$ (132)	48	(1,810)

(15) Quarterly Financial Information (Unaudited)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	amounts in millions, except per share amounts			
2019:				
Revenue	$ 376	422	428	334
Operating income (loss)	$ 16	51	55	(281)
Net earnings (loss)	$ 11	23	48	(198)
Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. Series A and Series B stockholders	$ (2)	3	16	(39)
Basic earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. Series A and Series B stockholders per common share	$ (0.03)	0.04	0.21	(0.52)
Diluted earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. Series A and Series B stockholders per common share	$ (0.03)	0.04	0.21	(0.52)

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	amounts in millions, except per share amounts			
2018:				
Revenue	$ 378	433	458	346
Operating income (loss)	$ 9	34	76	9
Net earnings (loss)	$ (35)	(22)	57	(9)
Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. Series A and Series B stockholders	$ (31)	(39)	14	(8)
Basic earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. Series A and Series B stockholders per common share	$ (0.41)	(0.52)	0.19	(0.11)
Diluted earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. Series A and Series B stockholders per common share	$ (0.41)	(0.52)	0.19	(0.11)

LIBERTY TRIPADVISOR HOLDINGS, INC. CORPORATE DATA

Board of Directors
Gregory B. Maffei
Chairman of the Board, President and Chief Executive Officer
Liberty TripAdvisor Holdings, Inc.

M. Gregory O'Hara
Founder and Senior Managing Director
Certares Management LLC

Michael J. Malone
Chief Executive Officer and Principal
Hunters Capital, LLC

Chris Mueller
Managing Partner
Post Closing 360 LLC

Larry E. Romrell
Retired Executive Vice President
Tele-Communications, Inc.

Albert E. Rosenthaler
Chief Corporate Development Officer
Liberty TripAdvisor Holdings, Inc.

J. David Wargo
Founder and President
Wargo & Company, Inc.

Executive Committee
Gregory B. Maffei
Chris Mueller
Albert E. Rosenthaler

Compensation Committee
Larry E. Romrell (Chairman)
Michael J. Malone
J. David Wargo

Audit Committee
Chris Mueller (Chairman)
Michael J. Malone
J. David Wargo

Nominating & Corporate Governance Committee
J. David Wargo (Chairman)
Michael J. Malone
Larry E. Romrell

Senior Officers
Gregory B. Maffei
President and Chief Executive Officer

Renee L. Wilm
Chief Legal Officer

Albert E. Rosenthaler
Chief Corporate Development Officer

Courtnee A. Chun
Chief Portfolio Officer

Brian J. Wendling
Chief Financial Officer and Senior Vice President

Corporate Secretary
Michael E. Hurelbrink

Corporate Headquarters
12300 Liberty Boulevard
Englewood, CO 80112
(720) 875-5200

Stock Information
Series A Common Stock (LTRPA) and Series B Common Stock (LTRPB) trade on the NASDAQ Global Select Market.

CUSIP Numbers
LTRPA – 531465 102
LTRPB – 531465 201

Transfer Agent
Liberty TripAdvisor Holdings, Inc.
Shareholder Services
c/o Broadridge Corporate Issuer Solutions
P.O. Box 1342
Brentwood, NY 11717
Phone: (888) 789-8410
Toll Free: (303) 562-9272
https://shareholder.broadridge.com/ltah

Investor Relations
Courtnee A. Chun
investor@libertytripadvisorholdings.com
(844) 826-8736

On the Internet
Visit the Liberty TripAdvisor Holdings, Inc. website at
www.libertytripadvisorholdings.com

Financial Statements
Liberty TripAdvisor Holdings, Inc. financial statements are filed with the Securities and Exchange Commission. Copies of these financial statements can be obtained from the Transfer Agent or through the Liberty TripAdvisor Holdings, Inc. website.

OUR ENVIRONMENT

Liberty believes in working to keep our environment cleaner and healthier. We are proud to have our headquarters overlooking the Colorado Rockies. Every day, Liberty takes steps to preserve the natural beauty of the surroundings that we are privileged to enjoy.

ELECTRONIC DELIVERY

We encourage Liberty stockholders to voluntarily elect to receive future proxy and annual report materials electronically.

- If you are a registered stockholder, please visit ***www.proxyvote.com*** for simple instructions.
- Beneficial shareowners can elect to receive future proxy and annual report materials electronically as well as vote their shares online at ***www.proxyvote.com***.
  ▸ Faster ▸ Economical ▸ Cleaner ▸ Convenient

SCAN THE QR CODE

to vote using your mobile device, sign up for e-delivery or download annual meeting materials.

▸ Liberty's initiative in reducing its carbon footprint by promoting electronic delivery of shareholder materials has had a positive effect on the environment. Based upon 2019 statistics, voluntary receipt of e-delivery resulted in the following environmental savings:

- Using approximately 8 fewer tons of wood, or 49 fewer trees
- Using approximately 51.8 million fewer BTUs, or the equivalent of the amount of energy used by 62 residential refrigerators operated/year
- Using approximately 36,500 fewer pounds of greenhouse gases, including carbon dioxide, or the equivalent to 3.3 cars/year
- Saving approximately 43,400 gallons of water, or the equivalent to 1-3/4 swimming pools
- Saving approximately 2,390 pounds of solid waste
- Reducing hazardous air pollutants by approximately 3.2 pounds

Environmental impact estimates calculated using the Environmental Paper Network Paper Calculator. For more information visit ***www.papercalculator.org***.

2020 ANNUAL MEETING OF STOCKHOLDERS

Tuesday, May 19, 2020

8:00 a.m. Mountain Time

The 2020 Annual Meeting of Stockholders will be held via the Internet as a virtual meeting. See our Proxy Statement for additional information.

FSC
www.fsc.org
MIX
Paper from responsible sources
FSC® C014054